

RFP NUMBER: SWD001-10

REQUEST FOR PROPOSALS FOR:

Operation of the Government of Guam Municipal Solid Waste Landfill

PROPOSAL DUE DATE: October 22, 2010
PROPOSAL DUE TIME: 2:00 p.m. (ChST)
CONTACT: Linda Ibanez
542 North Marine Corps Drive
Tamuning, Guam 96913
E-mail: lindaibanez@gmail.com
Telephone: 671-646-3239

PRE-PROPOSAL CONFERENCE:
September 21, 2010 @ 9:00 a.m. (ChST)
Department of Public Works Compound
Solid Waste Management Division Building
Conference Room, Second Floor
542 North Marine Corps Drive
Tamuning, Guam 96913

Sealed proposals, one (1) original and eight (8) numbered copies (total of 9), subject to the terms and conditions of this RFP, will be received in the **Solid Waste Management Division, 542 North Marine Corps Drive, Tamuning, Guam 96913** before the due date and time shown above. **Proposals must be submitted in a sealed envelope or other appropriate package, addressed to the Receiver, Solid Waste Management Division and have the RFP number, due date, and company name clearly marked on the outside envelope.** Late proposals will be returned to the Proposer unopened. Proposals may be withdrawn at any time prior to the completion of evaluation by the Receiver and selection of a Proposer for negotiations.

The undersigned agrees, if the proposal is accepted, to furnish any and all items upon which prices are offered, at the price(s) and upon the terms and conditions contained in the specifications. The period for acceptance of this proposal shall be 180 calendar Days.

Company Name and Address:	Company's Authorized Agent:
	Signature
	Name and Title (Typed or Printed)
Federal ID Number (TIN) or SSN and Name:	
Telephone No.:	Date

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1.0 INTRODUCTION AND GENERAL INFORMATION

The Island of Guam is a United States Territory with an area of 210 square miles in the Western Pacific Ocean. Guam has a population of approximately 170,000, and it is the largest and southernmost island of the Mariana Islands. The primary civilian Municipal Solid Waste ("MSW") Disposal site in Guam is the Ordot Dump, which has existed since World War II and has been cited for Violation of the Clean Water Act (33 U.S.C. §1251, et. seq.).

The Government of Guam entered into a Consent Decree with the United States Environmental Protection Agency ("USEPA") on February 11, 2004, to close the Ordot Dump, cease all discharges into the Lofit River, open a new Municipal Solid Waste landfill, and develop and implement Recycling and Hazardous Waste management strategies to reduce the volume of materials going into the landfill ("the Consent Decree Projects").

Following the Consent Decree, the Guam Government, through its Department of Public Works, Solid Waste Management Division ("SWMD"), proceeded with certain studies, surveys, and engineering designs toward the Closure of the Ordot Dump and the siting and development of a new lined, leachate controlled Municipal Solid Waste landfill (the "Layon Landfill") located in Inarajan, Figure 1-1. However, the schedule of compliance in the Consent Decree was not met and progress to achieve compliance has been deemed unsatisfactory by the U.S. EPA and the United States District Court of Guam. Therefore, on March 17, 2008, the United States District Court of Guam issued a court order appointing Gershman, Brickner & Bratton, Inc. ("GBB"), a Solid Waste management consultant, as Receiver to achieve the Guam Government's compliance with the Clean Water Act as set forth in the Consent Decree and implementation of the Consent Decree Projects.

As Receiver, GBB has full power and authority to enforce the Terms of the Consent Decree and assume all of the responsibilities, functions, duties, powers, and authority of the Guam SWMD, and any and all departments or other divisions of the Department of Public Works insofar as they affect the Government of Guam's compliance with the Consent Decree.

In February 2009, construction began on the Layon Landfill, and the Landfill is expected to open to receive waste on or about May 30, 2011. The Layon Landfill occupies approximately 317 acres and consists of a master planned complex of 127.4 acres in eleven (11) waste management Cells with a designed total net Refuse airspace capacity of 15,808,794 cubic yards. The entrance facilities consist of dual scales and scale administrative building, maintenance/operator staff building and facilities, emergency power systems, fueling systems, potable water supply storage, leachate collection and pump station systems, gas collection piping, wash rack and oil/water separator, and associated security fencing, stormwater management facilities, and groundwater Monitoring Well system (See Figure 1-2). The first two Cells (Cells No. 1 and 2) of the complex, consisting in total of 22.4 acres and 1,407,173 cubic yards of net Refuse airspace capacity, have been permitted by the Guam Environmental Protection Agency ("GEPA") for operation and are under construction.

When the Layon Landfill is open to receive MSW, the Landfill will not allow private, commercial or residential customers to deliver waste directly into the Landfill except for some limited deliveries from waste collections in the general vicinity of the Landfill. The

purpose for this restriction is to reduce the number of Vehicles going to the Landfill thereby minimizing the effect traffic would have on the neighborhood.

A Transfer Station will become the central point for the majority of MSW going to the Layon Landfill. It is expected that the commercial trash collected on the island will be delivered to this Transfer Station, to be centrally located near the DPW complex (see Figure 1-1). Also, the substantial portion of Household Waste collected by the SWMD's curbside trash collection crews will be taken to this Transfer Station. Should the military become a customer of the Layon Landfill, it will be expected to use this Transfer Station or provide for transporting its waste to the Layon Landfill using equipment and procedures comparable to those used to transfer waste to the Landfill from this Transfer Station.

The MSW delivered to SWMD's existing, small Transfer Stations in Agat and Dededo will also be taken to this Transfer Station. The MSW brought to the SWMD's Malojloj Transfer Station, located near the Layon Landfill, and the MSW from a portion of the island in the general vicinity of the Landfill, will be taken by the SWMD directly to the Layon Landfill.

Table 1-1 shows the waste quantities received at Ordot Dump from June 1, 2009 through May 29, 2010, and Table 1-2 shows the estimated average annual Guam waste stream (excluding recycled materials) from 2012 to 2020, including the military waste stream.

The Naval Facilities Engineering Command, Marianas ("NAVFACMAR") currently manages a contract for Solid Waste collection for Department of Defense ("DoD") facilities on Guam with disposal in DoD landfills. NAVFACMAR in a recent document, Sources Sought for N40192-10-R-9001 Solid Waste Removal Services, intends to evaluate alternatives for the management of DoD generated Solid Waste on Guam beyond sites operated by DoD and its components and is seeking disposal services beginning on or about October 2011. Table 1-3 shows the municipal waste quantities NAVFACMAR identified as its minimum requirements for disposal in an approved landfill for the years 2012 through 2019.

It should be noted that use of the Layon Landfill by the military on Guam is contemplated, as a Letter of Intent ("LOI"), dated July 17, 2009, was negotiated and signed by the Governor of Guam, the Navy, and the Receiver.

This Request for Proposals SWD001-10 is soliciting proposals from qualified landfill operators that exhibit a secure and reliable financial standing, extensive and successful service delivery, state-of-the-art equipment and management practices, high customer/client satisfaction and a strong record of environmental compliance.

FIGURE 1-1

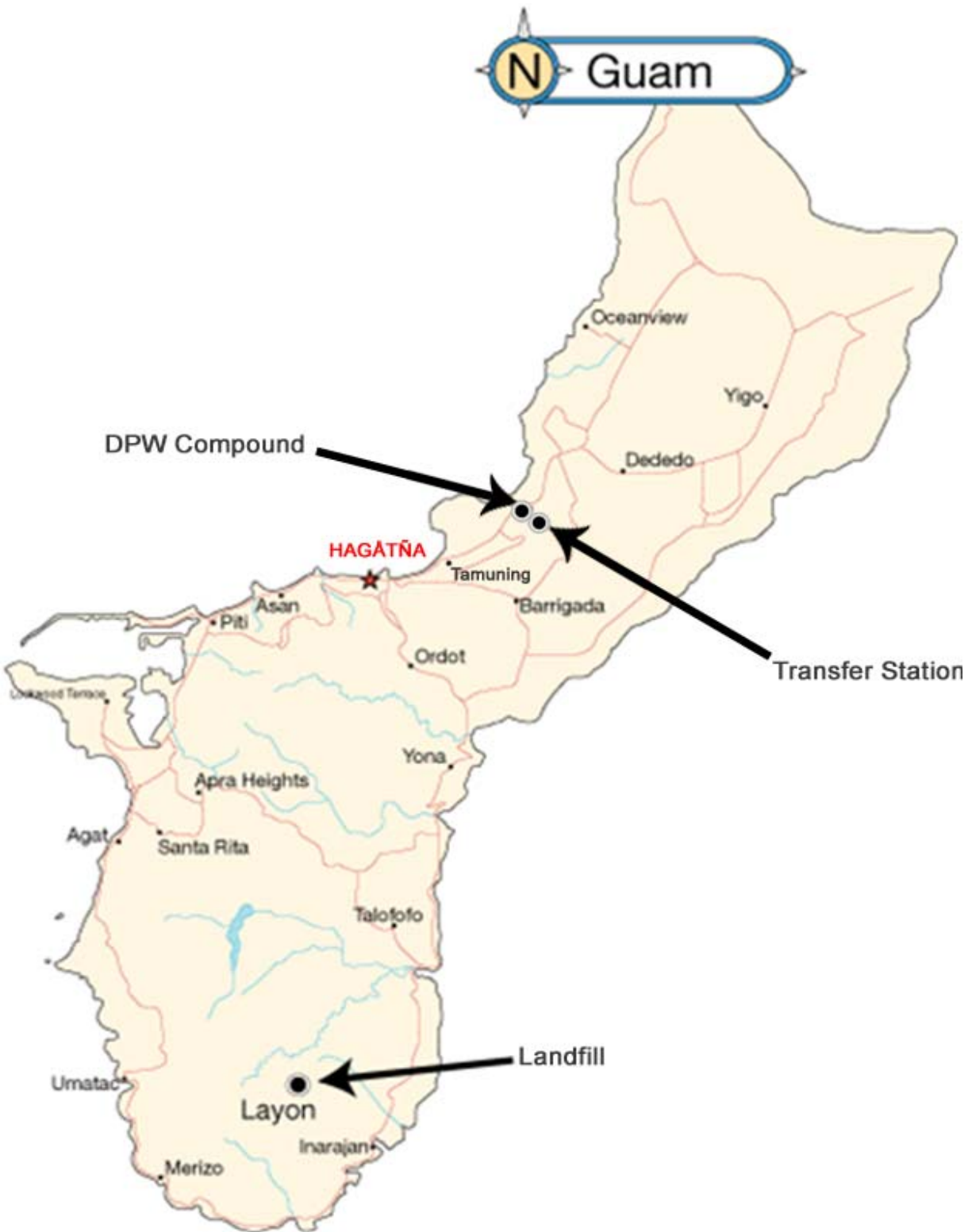


FIGURE 1-2

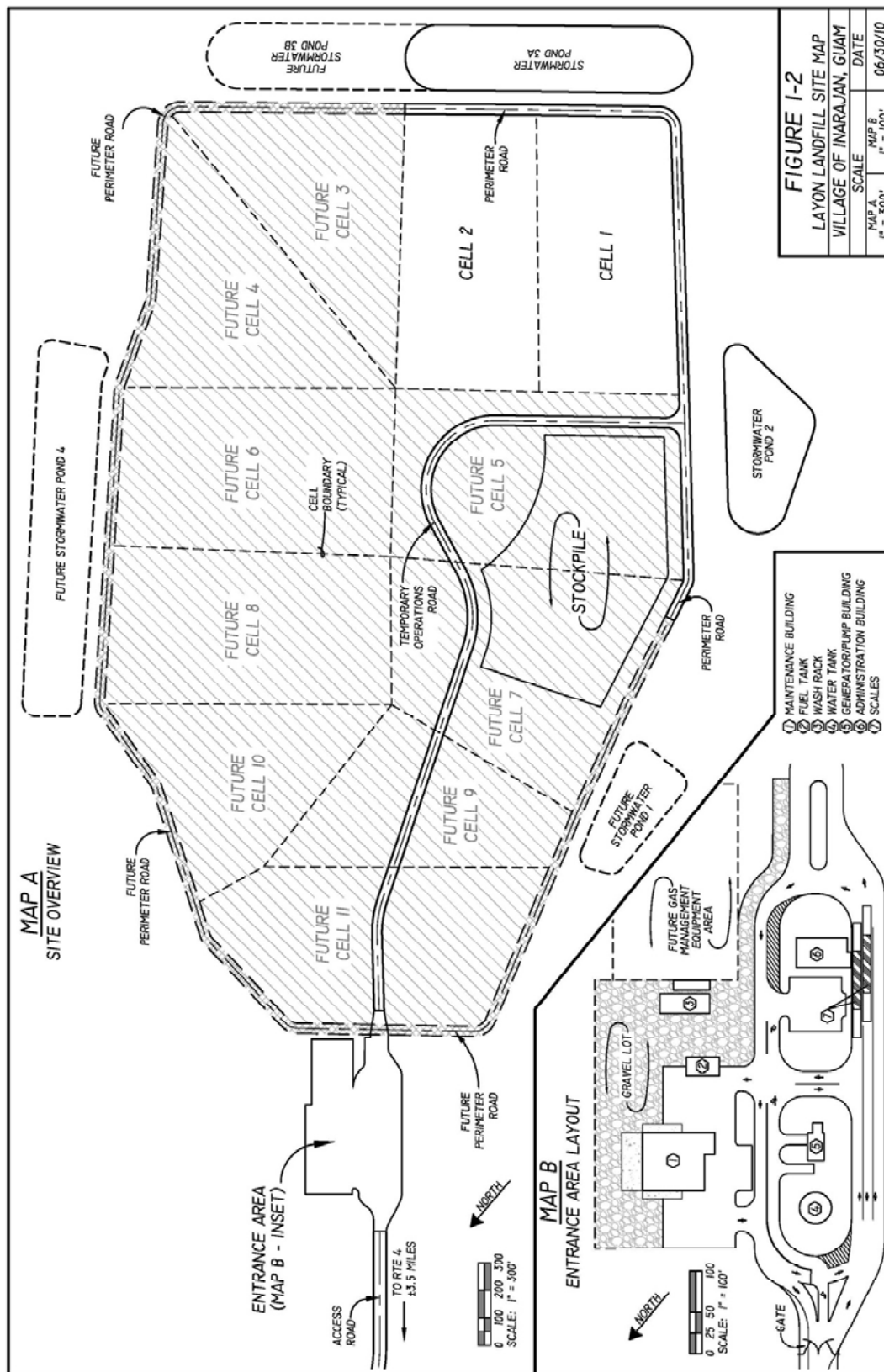


TABLE 1-1

Waste Disposal at the Ordot Dump Actual Waste Disposal by Weight June 1, 2009 to May 29, 2010			
Class of Customer	Weekly Tons	Annual Tons	Percent Total
Commercial Customers	1,004	52,220	64.9%
Residential Customers	373	19,412	24.1%
Transfer Station	98	5,114	6.4%
Mayors	27	1,392	1.7%
Government of Guam	45	2,362	2.9%
Total	1,548	80,501	100%

Table 1-2

Estimated Average Annual Guam Waste Stream 2012 to 2020 (excluding recycled materials)		
Source of Waste	Tons	Percent
Military*	25,228	19.9%
Commercial Customers	65,618	51.8%
Residential Customers	24,477	19.3%
Transfer Station	6,461	5.1%
Mayors	1,766	1.4%
Government of Guam	3,182	2.5%
Total	126,733	100.0%
*Based on estimates provided by NAVFAC.		

Table 1-3

Projected Quantities of DoD Generated Solid Waste on Guam Requiring Disposal (2012 – 2019)

PROJECTED Municipal Waste	2012	2013	2014	2015	2016	2017	2018	2019
Tons per year	20,944	18,402	29,453	26,507	26,507	26,507	26,507	26,996

1.1 Purpose of RFP

RFP SWD001-10 has been prepared by Gershman, Brickner & Bratton, Inc. in its capacity as Receiver for the Government of Guam, Solid Waste Management Division. The Receiver intends to contract with a qualified Operator to operate the Government of Guam's Layon Landfill and its appurtenant facilities, buildings, easements, and features comprising the assets to be operated and maintained through an Agreement substantially in the form of Agreement included in Appendix A. The Initial Term of the Agreement will be for the period of seven (7) years. The Government of Guam shall also have the option for two Renewal Terms of five (5) years each.

1.1.1. Departure from Guam Procurement Law

In the Order of the District Court appointing GBB as Receiver for the SWMD, the Court gives the Receiver the authority to enter into contracts. The Court's Order specifically provides: "In awarding any future contracts, the Receiver shall follow the procedures required in Guam's statutes and regulations, unless, in the best judgment of the Receiver, such compliance would unreasonably delay the progress in meeting the mandates of the Consent Decree."

Guam Law has very limited provisions for the use of a Request for Proposals (RFP). These provisions do not allow for the full consideration of the complex financial aspects that are critical to the selection of an Operator for the Layon Landfill.

In the collective experience of the Receiver, the use of an RFP that considers all of the financial issues associated with the operation of a complex facility such as the Layon Landfill is essential to obtaining these services without the serious risk of delay that, in the Receiver's judgment, would accompany the use of the procurement processes authorized by Guam Law. This conclusion is informed by 30 years of experience in solid waste management consulting and procurement.

Accordingly, after due consideration, the Receiver has concluded that this procurement requires the use of an RFP which is not authorized by Guam Law. The use of any of the methods authorized by Guam Law would result in serious delays in obtaining a qualified operator for this vital aspect of achieving compliance with the Consent Decree. Accordingly, it is the Receiver's best judgment that we must depart from the use of Guam's statutes and regulations for this procurement in order to avoid unreasonable delay in the progress in meeting the mandates of the Consent Decree. The Receiver will seek to comply with Guam Law to the extent that such compliance will not result, in the sole judgment of the Receiver, in unreasonable delays in meeting the mandates of the Consent Decree.

1.2 Procurement Schedule

The Receiver's anticipated procurement schedule is shown below. These dates are subject to change by the Receiver. All dates and times listed below are on Guam time ChST.

<u>Activity</u>	<u>Schedule</u>
RFP SWD001-10 Available	September 8, 2010

Pre-proposal Conference and Site Tour	September 21, 2010
Deadline for Questions on RFP	October 7, 2010
Proposals Due to Receiver	October 22, 2010, 2:00 p.m. ChST
Review Questions/Clarifications to Proposers	November 5, 2010
Proposer Interviews	November 18 & 19, 2010
Negotiations Completed; Agreement(s) Executed	January 14, 2011
Operator Commences Services	On or about May 30, 2011

The RFP will be made available through the Internet website of the Receiver at www.guamsolidwastereceiver.org.

1.3 Pre-Proposal Conference

A pre-proposal conference will be held in the Second Floor Conference Room, Solid Waste Management Division Building at the Department of Public Works Compound, 542 North Marine Corps Drive, Tamuning, Guam 96913, 9:00 am ChST, September 21, 2010. This will be followed by a site tour of the Layon Landfill. If a prospective Proposer who intends to submit a proposal in response to RFP SWD001-10 cannot attend, the prospective Proposer may send a representative to attend on their behalf at both the pre-proposal conference and site tour. Also, a prospective Proposer may attend the pre-proposal conference by teleconferencing. The teleconference number and Conference ID are as follows:

Teleconference Number: 1-877-326-2337

Conference ID Number: 8040967 (followed by the # sign)

Only written questions regarding this RFP (via email or mail) will be accepted prior to and after the pre-proposal conference. It is important in email correspondence to fully identify the entity which is submitting the questions along with address and telephone information. Both oral and written questions will be accepted at the pre-proposal conference. Written responses will be provided in the form of an RFP addendum for all written questions received and any oral questions at the pre-proposal conference, and will be posted on the Internet website identified in Section 1.2 above. No questions will be accepted after October 7, 2010. Written responses will govern. Information regarding this RFP is available from and communication shall be done exclusively through:

Linda Ibanez
Solid Waste Management Division
542 North Marine Corps Drive
Tamuning, Guam 96913
E-mail: lindaibanez@gmail.com
Telephone: 671-646-3239

1.4 Contact with Receiver, Government of Guam Officials, Staff and Advisors

All questions concerning this RFP must be directed to Linda Ibanez.

The following provisions are intended to ensure a fair and equitable review process so that there is no actual or potential situation where one Proposer secures or attempts to secure an unfair advantage over another Proposer or creates a situation where there is an appearance of impropriety in contacts between the Proposer or Proposer's agents or consultants and the Receiver or Government of Guam officials.

After release of the RFP, no officer, employee, agent or Representative of the Proposer shall have any contact or discussion, verbal or written, with any members of the Receiver staff or the Receiver's consultants, or directly or indirectly through others, seek to influence any members of the Receiver staff, or the Receiver's consultants regarding any matters pertaining to the Landfill or the potential Agreement for an Operator of the Landfill, except as herein provided.

Contacts by the Proposer with the Receiver or Government of Guam when such contacts do not pertain to the Landfill or the potential operation of the Landfill are exempt from this provision. Examples include:

- Solid waste collection within Guam;
- Contacts with the Receiver or the Government of Guam pursuant to other existing contracts or procurements;
- Private (non-business) contacts with the Receiver or Government of Guam by the Proposer's employees acting in their personal capacity;
- Presentations and/or responses to inquiries initiated by the Receiver Staff; and
- Casual social contacts that do not include mention of the Landfill or the potential Operating Agreement for the Landfill.

If a Representative of the Proposer has a question about any potential contact as described above, the Receiver will be notified in order to make a determination as to whether any contact is allowed in accordance with the RFP.

If a Representative of any company or party submitting a proposal violates the foregoing prohibition by contacting any of these Parties, such contact may result in a Proposer forfeiting the Proposal Security and being disqualified from the procurement process.

1.5 Reservation of Rights

The Receiver reserves the right to reject any or all proposals, and may elect to make a decision without further discussion or negotiation. The Receiver further reserves the right to supplement, modify or withdraw this RFP at any time, to issue additional solicitations for proposals, to negotiate with Proposers for amendments or modifications to their proposals, and/or to not enter into Agreement as contemplated by this RFP. This RFP is not to be construed as a contract of any kind. Neither the Receiver nor the Government of Guam is liable for any costs incurred by any Proposer in the preparation of a response to this RFP or in any subsequent negotiations or response to questions by the Receiver and its consultants, advisors and agents. The Receiver reserves the right to award the Agreement to any Proposer who is deemed, in the sole discretion of the Receiver, to offer the best proposal in accordance with this RFP.

The Receiver also reserves the right to audit, at any time, any and all of the selected Proposer's books and records related to any Agreement awarded to that Proposer through this RFP. This audit right extends for three years following termination of the Agreement.

1.6 Evaluation of Proposals

The Receiver will first examine proposals to determine their conformance with the RFP. Any proposals that are deemed to be non-conforming to the stated requirements may be

rejected. Therefore, Proposers should exercise particular care in reviewing the required Proposal Format and information to be provided as set forth in this RFP. See Section 5.0 for a description of the process for evaluation of proposals.

1.7 Definitions

Unless the context clearly indicates otherwise, the Terms below are defined for this RFP as follows:

‘Acceptable Waste’ means waste accepted at the Landfill and which is allowed by the Solid Waste Facility Permit for the Layon Landfill, including Household and Commercial Waste, various non-hazardous Industrial Waste, permitted special waste from healthcare-related facilities and other Special Waste as permitted. Wastes such as Construction and Demolition Debris, E-wastes, Green Wastes, regulated Hazardous Wastes, PCB wastes, and radioactive wastes from healthcare-related facilities, bulk liquids, liquid paints, oils, batteries and Asbestos Wastes are not acceptable for Disposal at the Layon Landfill and not included in the definition of Acceptable Waste.

‘Adjustment Factor’ means the methodology to adjust certain costs, prices and fees as described in Section 3.2.9.

‘Agreement’ as used herein means the Agreement to Operate the Layon Landfill, together with all Appendices and amendments as included in Appendix A.

‘Alleged Violation Resolved’ means any allegation, charge or similar claim by a Governmental Entity that the Receiver, the Government of Guam or the Operator of the Layon Landfill is in Violation of or not in compliance with any portion of the Landfill Permits or Applicable Laws but which is subsequently resolved.

‘Alternative Daily Cover (ADC)’ means Cover Material other than earthen material, approved by the Guam Environmental Protection Agency for use, that is spread and compacted on the top and side slopes of a Solid Waste Cell at the end of each operating Day in order to control Vectors, fire, moisture and erosion, and to assure aesthetic appearance.

‘Appendix’ or ‘ Appendices’ means any exhibit, appendix, attachment, form, schedule or annex, which is attached to, incorporated in, or made a part of the RFP or the Agreement.

‘Applicable Laws’ means any statute law, constitution, charter, ordinance, resolution, judgment, order, decree, rule, regulation, directive, interpretation, standard or similar legally binding authority, which in any case, shall be enacted, adopted, promulgated, issued or enforced by any Governmental Entity that relates to or affects the Receiver, the Government of Guam, the Operator of the Layon Landfill (or any portion thereof), or the performance by a Party of its obligations hereunder.

‘Asbestos Waste’ means Hazardous Waste consisting of both friable and non-friable asbestos and asbestos containing materials.

‘Ashes’ means the residue including any air pollution flue dusts from combustion or incineration of material including Solid Waste.

'Bulky Waste' means large items of Refuse, such as appliances, furniture, automobile parts, and other non-organic oversize wastes which would typically not fit into reusable or disposable containers and whose large size precludes or complicates their handling by normal collection, processing or Disposal methods.

'Business Day' means any calendar Day of each month excepting Saturdays, Sundays, and official holidays.

'Cell' means an identified subunit of volume within the waste management unit of the Landfill as shown in the Operations Plan.

'CFC' means chlorofluorocarbon.

'Closure' means the placement of Final Cover over Landfill areas where required by Permits or action by the Guam Environmental Protection Agency and in accordance with the provisions contained in the Agreement.

'Closure Reserve Amount' has the meaning set forth in the Agreement.

'Collector' means any business or governmental organization which has received a permit to collect and transport Solid Waste, in accordance with Applicable Laws and regulations. (See Hauler)

'Commercial Waste' means all types of Solid Waste, except Hazardous Wastes, generated by stores, offices, restaurants, warehouses, multiple dwellings of five or more units, hotels, motels, temporary worker housing, crew quarters, campgrounds, picnic areas, and Day-use recreation areas and other non-manufacturing activities, excluding Household and Industrial Wastes.

'Construction and Demolition Debris' (C & D) means waste resulting from construction or demolition projects; includes all materials that are directly or indirectly the by-products of construction work or that result from demolition of buildings and other structures, including, but not limited to, bricks and masonry, paper, cartons, gypsum board, wood, excelsior, rubber, and plastics.

'Contract Date' means the date of execution and delivery of the Agreement by the Receiver after it has been executed by Operator.

'Convenience Center' means a facility which includes a Vehicle receiving area and various bulk containers for deposit of selected waste and Recyclables so as to provide Guam residents with one stop, drop-off service for deposit of Municipal Solid Waste and Recyclables.

'Cover Material' means soil or other approved suitable material that is used to cover compacted Solid Waste in a landfill.

'Daily Cover' means Cover Material that is spread and compacted on the top and side slopes of a Solid Waste Cell at the end of each operating Day in order to control Vectors, fire, moisture and erosion, and to assure aesthetic appearance.

'Day' means calendar day, unless otherwise specified.

'Demolition Waste' means Solid Waste, largely Inert Waste, resulting from the demolition or razing of buildings, roads and other man-made structures. Demolition Waste consists of, but is not limited to, concrete, brick, bituminous concrete, wood and masonry, roofing material, steel, and minor amounts of other metals like copper. Plaster, dry wall or any other material that is likely to produce gases or a leachate during the decomposition process are not considered to be Demolition Waste. Asbestos Waste is also not considered to be Demolition Waste.

'Disposal' means the discharge, deposit, dumping, or placing of any Solid Waste into or on any land or water so that such Solid Waste or any constituent thereof may enter the environment or be emitted into the air or discharged into any waters including ground-water.

'Disposal Facility' means a sanitary landfill or other facility permitted by GEPA for the Treatment, utilization, processing and final disposition of Solid Waste.

'E-Waste' means cathode-ray tube or flat-panel computer monitors and televisions having a viewable area greater than four inches, measured diagonally; desktop computers; and laptop or portable computers.

'Environmental Laws' means statutes, regulations, orders, directives and common law concerning public health and safety, nuisance, pollution and protection of the environment, including, without limitation, Guam Environmental Protection Agency Solid Waste Disposal Rules and Regulations (GARR: Title 22, Division 4, Chapter 23), the Solid Waste Disposal Act (42 U.S.C. §§6901, et seq.), the Clean Air Act (42 U.S.C. §§7401, et seq.), the Federal Water Pollution Control Act (33 U.S.C. §§1251, et seq.), the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. §§9601, et seq.) and similar local laws.

'Excluded Waste' means any and all waste, including, but not limited to, Hazardous Waste, Medical Waste (other than Treated Medical Waste), Construction and Demolition Debris, Green Wastes and asbestos as identified in Part IV.A.3 Solid Waste Excluded, of Permit No. 09-015 MSWLF, the acceptance and handling of which by Operator would cause a Violation of any Landfill Permits or Applicable Laws, cause substantial damage to all or any portion of the Layon Landfill or any improvements thereon or equipment used in connection therewith, Operator's equipment or facilities, or present a substantial danger to the health or safety of the public or the Operator's, Government of Guam's or the Receiver's representatives, agents or employees. Unacceptable Wastes, as identified in Section 5.4 "Unacceptable Waste Exclusion Program" of the Permitted Operations Plan, are included in this definition. This also includes any waste that is banned by the SWMD from being disposed at the Layon Landfill such as old corrugated containers (OCC).

'Final Cover' means a cover system designed and constructed to

(A) have permeability less than or equal to the permeability of any bottom liner system or natural subsoils present of a permeability no greater than 1×10^{-5} cm/sec, whichever is less, and

(B) minimize infiltration through the closed Municipal Solid Waste Landfill unit

by the use of an infiltration layer that contains a minimum of eighteen (18) inches of an earthen material, and

(C) minimize erosion by the use of an erosion layer that contains a minimum six (6) inches of earthen material that is capable of sustaining native plant growth.

'Garbage ' means discarded animal and vegetable wastes, and animal and vegetable wastes resulting from the handling, preparation, cooking, serving and consumption of foods, including waste materials from markets, storage facilities, handling and sale of produce such as cans, bottles and cartons, in which it was received and wrapping in which it may have been placed for Disposal, swill and carcasses of dead animals of such a character and proportion as to be capable of attracting or providing food for Vectors. This does not include raw sewage or Sludge related to wastewater processes.

'Government Approvals' means all licenses, certificates, Permits and approvals required from any Governmental Entity for operation, expansion, Closure or Post-Closure Care of the Layon Landfill or the performance of the Operator's obligations under the Agreement.

'Governmental Entity' means, as appropriate, any one or several of any court of competent jurisdiction, the United States of America, the Territory of Guam and/or any appropriate jurisdiction over the Operator or the Receiver or their activities relating to the Layon Landfill; or any agency, authority, regulatory body or subdivision of any of the above as may have jurisdiction over or power and authority to regulate the Operator, the Layon Landfill or the operation thereof, the transfer, transportation, or Disposal of Solid Waste or any services or utilities related to any of the foregoing.

'Green Wastes' means leaves, grass clippings, vegetative and garden debris, brush, including clean woody vegetative material that result from landscaping maintenance and land-cleaning operations. The term does not include stumps, roots, or shrubs with intact root balls, which is also Bulky Waste and would be handled as a Bulky Waste.

'Guam Environmental Protection Agency' or 'GEPA' means the Agency charged with the powers and duties as indicated in 10 Guam Code Annotated, Division 2, Chapter 45 and other related chapters.

'Guarantor' means the Person guaranteeing the performance and payment obligations of the Operator.

'Guaranty' means the Guaranty Agreement executed by the Guarantor.

'Guaranty Agreement' means an agreement provided by the Operator that provides financial backing for the performance and payment obligations of the Operator if the Operator fails to execute such obligations under this Agreement.

'Hauler' means any business or governmental organization which has received a permit to collect and transport Solid Waste in accordance with Applicable Laws and regulations. (See Collector)

'Hazardous Waste' means any material or substance which, by reason of its composition or characteristics,

(A) is Hazardous Waste as defined in the Solid Waste Disposal Act, 42 USC §6901, et seq., as amended, replaced or superseded and the regulations implementing same,

(B) is a hazardous substance as defined by the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 USC §9601, et seq.,

(C) is material the Disposal of which is regulated by the Toxic Substances Control Act, 15 USC §2601, et seq., as amended, replaced, or superseded, and the regulations implementing same,

(D) is special nuclear or by-products material within the meaning of the Atomic Energy Act of 1954,

(E) is pathological, infectious or biological waste,

(F) is treated as Hazardous Waste or as a hazardous substance under applicable law, or,

(G) requires a Hazardous Waste or similar permit for its storage, Treatment, incineration, or Disposal.

'Household Waste' means any Solid Waste (including Garbage and trash) derived from households of single and multiple residences of up to four units.

'Industrial Waste' means Solid Waste generated by manufacturing or industrial processes that is not a Hazardous Waste regulated under Subtitle C of the Resource Conservation and Recovery Act (RCRA) or Guam's Hazardous Waste Management Regulations. Such waste may include, but is not limited to, waste resulting from the following manufacturing processes/operations: electric power generation; fertilizer/agricultural chemicals; food and related products/by-products; inorganic chemicals; iron and steel manufacturing; leather and leather products; nonferrous metals manufacturing/foundries; organic chemicals; plastics and resins manufacturing; pulp and paper industry; rubber and miscellaneous plastic products; stone, glass, clay, and concrete products; textile manufacturing; transportation equipment; and water Treatment. This term does not include mining waste or oil and gas waste.

'Inert Waste' means non-combustible waste that will not cause any leachate or cause any environmental concern and that is likely to retain its physical and chemical structure under expected conditions of Disposal, including resistance to biological attack and chemical attack from acidic rainwater.

'Infectious Waste' means:

(A) equipment, instruments, utensils and fomites of a disposed nature used in the treatment of patients or animals who are suspected by a medical professional to have or have been diagnosed as having a communicable disease and must therefore, be isolated as required by public health agencies; or

(B) laboratory wastes, including pathological specimens (i.e., all tissues,

specimens of blood elements, excreta, and excretion obtained from patients or laboratory animals) and disposal fomites attendant thereto and similar disposal materials from outpatient areas and emergency rooms; or

(C) carcass of any animal that has died from a communicable disease.

'Initial Term' has the meaning set forth in the Agreement.

'Intermediate Cover' means Cover Material that serves the same function as Daily Cover, but must resist erosion for a longer time, because it is applied on areas where additional Cells will not be constructed for extended periods of time.

'Landfill Permits' means all Permits required for the construction and operation of the Landfill, as the same may be modified, amended and supplemented from time to time.

'Layon Landfill', 'Landfill', 'Facility' or 'Premises' means the Government of Guam owned landfill, located at B-3 REM-2, Dandan Road, Malojloj, Inarajan, Guam, all other real property that may now or in the future be acquired for landfilling operations as designated by the Government of Guam, and all improvements and appurtenances thereto.

'Letter of Credit' has the meaning set forth in the Agreement.

'Mandate' means an expenditure or action imposed on the Receiver, Government of Guam or the Operator by a Governmental Entity, which is directly related to the operation of a landfill, mandatory in nature, and adopted or implemented subsequent to the execution of the Agreement.

'Medical Waste' means any Solid Waste which is generated by health-care related facilities and associated with healthcare activities, not including Garbage or Rubbish generated from offices, kitchens, or other non-health-care related activities in the diagnosis, treatment, or immunization of human beings or animals, in research pertaining thereto, or in the production or testing of biologicals. Such terms do not include any Hazardous or Household Waste identified, listed, or defined in the Agreement. The term includes Special Waste from health care-related facilities, which is comprised of animal waste, bulk blood and blood products, microbiological waste, pathological waste, and sharps as those terms are defined in Guam Administrative Rules and Regulations – 2005 (GARR) or any successor. The term does not include waste produced on farmland and ranchland as defined in GARR or any successor, nor does the term include artificial, nonhuman materials removed from a patient and/or requested by a patient, including but not limited to orthopedic devices and implants.

'Monitoring Well' means an artificial excavation constructed to measure or monitor the quantity or movement of substances, elements, chemicals, gases or fluids below the surface of the ground. The term shall not include any well which is used in conjunction with the production of oil, gas (except landfill gas), or any other minerals.

'Municipal Solid Waste' or 'MSW' means Solid Waste resulting from or incidental to municipal, community, commercial, institutional, or recreational activities, and includes Garbage, Rubbish, Ashes, and other Solid Waste other than Industrial Waste.

'Odor Condition' means complying with all limits and requirements established by Applicable Laws with respect to the control of all odor at the Layon Landfill.

'Operating Year' means a one-year period commencing on the Operation Commencement Date or any anniversary thereof.

'Operation Commencement Date' means the first date upon which all of the conditions precedent set forth in the Agreement shall be satisfied or waived as agreed to in writing by the Parties pursuant to the Agreement.

'Operational Record' means the entire document records and reporting history of the Landfill recorded in accordance with the Landfill Permits and Operations Plan of the Solid Waste Facility Permit.

'Operator' means the company or organization awarded the Agreement to operate and maintain the Layon Landfill.

'Parties' mean the Receiver and Operator.

'Pass-Through Costs' means fees, charges, or tariffs imposed by the federal, Territorial or local government, or their respective agencies, after the Contract Date of the Agreement, that operators of public landfills must collect from users of a public landfill and remit to the appropriate government agency.

'Permits' means the applicable approvals, permits, authorizations, registrations, certifications, and licenses issued by Governmental Entities required by the Operator for the construction, operation and maintenance of the Layon Landfill, and with respect to any other obligations necessary to be carried out under the Agreement.

'Person' means any individual, partnership, co-partnership, firm, company, corporation, association, joint stock company, trust, estate, of any agency, department, or instrumentality of the federal, Territorial, or local government, or any other legal Representatives, agents or assigns.

'Post-Closure Care' means the requirements placed upon Disposal sites after Closure to ensure their environmental safety for at least a thirty-year period or until the site becomes stabilized (i.e., little or no settlement, gas production or leachate generation).

'Proposer' means a party that submits a proposal in response to this RFP.

'Recyclables' or 'Recyclable Material' means material that has been or could be recovered or diverted from the non-hazardous Solid Waste stream for purposes of reuse, Recycling, or reclamation, a substantial portion of which is consistently used in the manufacture of products, which may otherwise be produced using raw or virgin materials. Recyclable Material is not Solid Waste. However, Recyclable Material may become Solid Waste at such time, if any, as it is abandoned or disposed of rather than recycled, whereupon it will be Solid Waste with respect only to the entity actually abandoning or disposing of the material.

'Recycling' means a process by which materials that have served their intended use or are scrapped, discarded, used, surplus, or obsolete, are collected, separated, ground or processed and returned to use in the form of raw materials used in the production of new

products or for any beneficial purpose. Except for mixed Municipal Solid Waste composting, that is, composting of the typical mixed Solid Waste stream generated by residential, commercial, and/or institutional sources. Recycling includes the composting process if the compost material is put to beneficial use.

'Refuse' means anything that is discarded as worthless and useless.

'Renewal Term' includes the first Renewal Term, if applicable, as described in the Agreement and the Second Renewal Term, if applicable, as described in the Agreement.

'Representative' means any Person or organization, whether in a paid or voluntary status, working in conjunction with a particular Proposer to promote the interests of that Proposer.

'Rubbish' means non-putrescible Solid Waste, including Ashes, consisting of both combustible and noncombustible waste such as paper, cardboard, cans, yard clippings, wood, glass, bedding, crockery and broken or rejected matter or litter of any kind.

'Salvaging' means the controlled removal of waste materials for utilization.

'Scavenging' means uncontrolled and unauthorized removal of Solid Waste materials from a Municipal Solid Waste storage or Disposal site(s).

'Self-Haul Waste' means waste brought to the Landfill by the Guam citizens.

'Septage' means a semi-solid consisting of settled sewage solids, combined with varying amounts of water and dissolved materials generated from a septic tank system.

'Sludge' means any solid, semi-solid, or liquid waste generated from a municipal, commercial, or industrial wastewater treatment plant, water supply treatment plant, or air pollution control facility or any other such waste having similar characteristics and effects exclusive of the treated effluent from a wastewater treatment plant.

'Solid Waste' means any Garbage, Rubbish, Refuse, or Sludge from a wastewater treatment plant, water supply treatment plant, or air pollution control facility and other discarded or spilled material(s), including solid, liquid, semisolid, or contained gaseous material resulting from industrial, commercial, mining, and agricultural operations, and from community and institutional activities. The term does not include solid or dissolved material in domestic sewage, or solid or dissolved materials in irrigation return flows or industrial discharges which are point sources subject to permits under Section 402 of the Federal Water Pollution Control Act, as amended (86 Stat. 880); or source, special nuclear, or byproduct material as defined by the Atomic Energy Act of 1954, as amended (68 Stat. 923).

'Solid Waste Facility Permit' means the GEPA issued Permit, Number 09-015 MSWLF, for the operations of the Layon Landfill as the same may be amended, modified and supplemented from time to time.

'Special Waste' means waste that is defined as such by applicable Government of Guam or federal regulation and which because of its quantity, concentration, physical or chemical characteristics, or biological properties requires special handling and Disposal to protect the human health or environment. Special Waste includes, but is not limited to, Infectious Waste, dead animals and offal, Sludge and Asbestos Wastes.

'Suspicious Waste' means waste which the Operator reasonably suspects may be Excluded Waste.

'Term' means the Initial Term and any Renewal Term of the Agreement.

'Third Party Trustee' shall have the meaning set forth in the Agreement.

'Ton' means a short ton of 2,000 pounds.

'Transfer Station' means a permitted or registered facility where Solid Waste is temporarily deposited and prepared for transport on larger transfer Vehicles for ultimate Disposal in a Disposal Facility, or where Solid Waste, Recyclables or organic Recyclable Materials are deposited for transfer on larger Vehicles to an appropriate Disposal Facility.

'Treatment' means the physical, chemical or biological processing of Solid Waste to make such Solid Waste safer for storage or Disposal, amenable for energy or material resource recovery or reduced in volume.

'Treated Medical Waste' means waste from health care-related facilities that has been treated in accordance with the procedures specified by law or regulations and which has been identified and packaged in accordance with law and regulations.

'USC' means United States Code.

'Useful Life' means the period of time ending when the available airspace at the Layon Landfill for Solid Waste Disposal, as it currently exists or may be modified in the future, is exhausted.

'Vector' means any insect or other arthropod, rodent or other animal capable of transmitting the causative agents of human disease, or disrupting the normal enjoyment of life by adversely affecting the public health and well-being

'Vehicle' means every device in, upon, or by which any Person or property is or may be transported or drawn upon a public highway, or other rolling stock used in operation of the Layon Landfill.

'Violation' means any determination by a Governmental Entity, after notice to and permitted contest by the Receiver, the Government of Guam or the Operator of the Layon Landfill, that the Landfill is in violation of or not in compliance with any portion of the Landfill Permits or Applicable Law, under its jurisdiction; however, an Alleged Violation Resolved shall not constitute a Violation.

'Waste Recycling' means reusing waste materials and extracting valuable materials from a waste stream.

'Waste Screening' means the process of separating Acceptable Waste and Unacceptable Waste.

'White Goods' means appliances such as washing machines, refrigerators, freezers, dryers, air conditioning units, stoves or ovens and microwaves.

'Working Face' means that portion of the Layon Landfill where Solid Waste is discharged and spread and compacted prior to the placement of Cover Material.

'Yard Waste' means leaves, grass clippings, yard and garden debris, and brush, including clean woody vegetative material not greater than four inches in diameter, that result from landscaping maintenance and land-cleaning operations. The Term does not include stumps, roots, or shrubs with intact root balls.

1.8 Award of Operating Agreement

1.8.1 General

The Agreement will be awarded to the Proposer that the Receiver determines to be qualified and has submitted the best proposal as determined through evaluation. The goal is to receive the highest quality service in the most cost-effective manner. However, the Receiver reserves the right to reject any or all proposals, to accept or reject any one or more items of a proposal, or to waive any irregularities or informalities in a proposal.

1.8.2 Modification to RFP

The Receiver reserves the right to issue clarifications, modifications, and/or amendments to this RFP, as it may deem appropriate.

1.9 Contact Person

Linda Ibanez
Solid Waste Management Division
E-mail: lindaibanez@gmail.com
Phone: 671-646-3239

1.10 Landfill Tours

The Receiver or the Receiver's designee will conduct tours of the Layon Landfill and arrange for prospective Proposers to visit the Landfill. Each Proposer is urged, and will be expected, to rely solely on its own due diligence and analyses in connection with submitting its proposal to operate the Layon Landfill and not rely on the accuracy of any oral or written materials provided to it by the Receiver or Receiver's advisors and consultants, and the Receiver and each of its advisors and consultants hereby expressly disclaim liability for same.

There will be a site tour of the Layon Landfill on the date of the pre-proposal conference. Additional tours of the Layon Landfill will be conducted on September 22 and 23, 2010, from 8:00 a.m. – 3:00 p.m., ChST. Please email or call Linda Ibanez to schedule a time on one of those dates. See Section 1.9 above. If additional dates for tours are deemed necessary by the Receiver, such dates will be established.

2.0 QUALIFICATIONS OF PROPOSERS

2.1 General

The Receiver wishes to enter into the Agreement with a Proposer that has exhibited a secure and reliable financial standing, extensive and successful service delivery, state-of-the-art equipment and management practices, high customer and client satisfaction and a strong record of environmental compliance. Proposals will only be accepted from prospective Proposers who are actively engaged in offering the services called for in this RFP.

Proposer shall have experience performing similar work in a satisfactory manner. The Receiver seeks innovative and responsive proposals that meet the objectives of this RFP, including:

- Establishing an efficient Landfill operating environment;
- Keeping costs under control;
- Avoiding adverse impacts on public health and the environment; and
- Providing a stable service for customers.

2.2 Landfill Experience

Proposer shall identify the names of all the landfills in the United States and in other countries, if applicable, which the Proposer currently operates. Proposer shall identify those landfills for which Proposer is responsible for both operation and Cell construction. Additionally, the Proposer shall submit a description of the Proposer's experience with similar regulatory environments, operating active landfills and inspecting and maintaining closed landfills, which qualifies Proposer to perform the services being procured through this RFP. This description shall include:

- The name of the facility operated;
- Annual Tons landfilled;
- Description of services provided by Proposer at the facility (e.g., waste screening, scalehouse operations, landfilling, facility repairs and maintenance, Cell construction, environmental systems monitoring, landfill Closure, closed landfill inspection and maintenance, leachate and landfill gas collection and recovery systems construction and operation);
- Specific experience with permitting, engineering and regulatory compliance related to landfill operation;
- The name, address and telephone number of the landfill owner, or jurisdiction Representative, responsible for administering the contract (if applicable);
- The name, address and telephone number of the regulatory agency Representative responsible for inspection/regulatory oversight of the landfill;
- A description of the regulatory environment; and
- A copy of all inspection reports from regulatory agencies during the past 12 months.

Proposal shall also include a description of the Proposer's experience with the following:

- Use of Alternative Daily Cover ("ADC") (specify name of site, waste Tons per Day, the type(s) of ADC used and the relative annual percentage use of ADC versus cover soil);
- Methods employed to maximize in-place Solid Waste density;
- Management and operational activities undertaken for purposes of tracking and minimizing cover soil usage (e.g., development of soil budgets, tracking of cover soil usage, soil scalping, optimal Cell construction, etc.);
- Leachate collection system operation and maintenance;
- Leachate treatment system operation and maintenance;
- Leachate recirculation systems; and
- Inspection and maintenance of closed landfill sites and closed areas of active sites.

2.3 Experience Operating Landfills Under Contract to Another Community

Proposer shall identify its experience, if any, in operating landfills for another community or group of communities. Proposer shall identify the owner and location of the landfill, provide a contact name, address and phone number, and describe the landfill and Proposer's responsibilities under the operating Agreement. All such facilities should also be included under Section 2.5 References, with information required as per that Section.

2.4 Qualifications of Key Personnel

Proposer shall identify all key personnel and positions that would be involved with providing service under this RFP. This list shall include the officers, senior management, Site or Operations Manager and any other personnel designated by the Proposer. Resumes shall be provided for these key personnel. Proposer shall also provide a description of the qualifications and a job description for all types of personnel that will be involved with the site operations. Details of each person's experience for the past 5 years or more shall be provided. Where a specific person cannot be identified for a position, such as an equipment operator, the minimum qualification for that position shall be defined.

The person proposed for the position of Site or Operations Manager shall have at least 5 years of experience working on Subtitle D landfills, such as the Layon Landfill. This person must also be currently managing a landfill site and hold a Manager of Landfill Operations (MOLO) certification as defined by SWANA, or equivalent training, or be capable of obtaining such a certification at least 30 Days prior to the commencement of operations at the Landfill.

Proposer shall also provide a management organization chart for their company which identifies all responsible officials for their company. The resumes of all responsible officials shall be provided along with the information required above.

2.5 References

Proposers shall provide references for the communities where similar work was performed or is being performed by Proposer. Proposer shall include the following information for each reference:

- Name of community, contact person (contract administrator), address and phone number
- Location of facility

- Start and completion dates of contract
- Approximate value of contract (annual and over contract term)
- Types of waste disposed
- Quantities of waste disposed in each year of contract
- Description of equipment permanently assigned to the facility and used for landfill operation
- Number of employees at the landfill
- Problems experienced and actions taken to resolve them; specifically indicate any enforcement actions and the resolution with regulators
- Evidence of customer/jurisdiction satisfaction with service

2.6 Financial Qualifications

Each proposal must include financial information on the Proposer, any Guarantor, and any member of the Proposer's team. (if the proposal is from a joint venture or partnership). This information relates to the Proposer's ability to perform its obligations under the Agreement. To determine the Proposer's financial soundness qualifications, the Receiver requires the submission of the applicable items listed below:

- A copy of the most recent CPA reviewed annual financial statements.
- A copy of the Proposer's most recent Form 10-K and Form 10-Q filed with the SEC or, if Form 10-K is not filed with the SEC, the following:
 - CPA reviewed financial statements for the past three (3) fiscal years
 - Copies of all subsequent quarterly financial reports
 - A copy of the latest annual report
- Information on any changes in the mode of conducting business, bankruptcy proceedings, filings, and mergers or acquisitions within the past three (3) years
- A description of all major financial commitments, including but not limited to, liabilities and equity contribution obligations of the Proposer and/or Guarantor, and their bearing on the Proposer's and/or Guarantor's ability to secure the Proposer's obligations for the services proposed.
- Information on Proposer's access to bank lines of credit, revolving credit agreements, or other sources of short-term liquidity.
- The Proposer must also identify the following, with references to the appropriate section of the financial statements or other documents, as applicable:
 - Net Book Equity for the three (3) most recent fiscal years.
 - Pre-tax earnings for the three (3) most recent fiscal years.
 - A ratio of current assets divided by current liabilities for the three (3) most recent fiscal years.
 - Cash and cash equivalents as of the date of its most recent annual financial statements.
 - Any material adverse changes in its financial position since the end of its most recent business year that would affect the ability to meet the above criteria.
 - Long-term debt to capitalization ratio for the three (3) most recent fiscal years.

If any of the above information changes significantly subsequent to submission of the Proposal, such changed information shall be provided to the Receiver.

In the event the Proposer is a subsidiary, the Proposer shall have a Guarantor of its performance and payment obligations and shall provide the foregoing information for its proposed Guarantor. In addition, if the Receiver determines that the Proposer fails to have

sufficient financial resources to perform the obligations under all situations, the Receiver may require the Proposer to provide a creditworthy Guarantor for the purpose of executing the Guaranty Agreement.

2.7 Current Insurance Coverage

Proposer shall identify the types of insurance and amounts of coverage it currently carries on all its operations, facilities, and equipment. Any self-insurance must be identified and described, including the names and addresses of any third party plan administrators, the written reserve policy, listing of excess coverage, limits of liability, retention amount, and deductibles. See Section 3.2.4 for insurance that will be required of Operator.

2.8 Information Regarding Past and Pending Violations and Litigation

The Receiver desires to contract with a Proposer that has a strong environmental compliance record and history of legal, ethical business practices. Therefore, Proposer shall describe all civil legal actions and administrative proceedings now pending with government agencies, or which have occurred in the past seven years, with potential liability or actual damages greater than \$50,000, or penalties assessed in any amount; any criminal or civil actions involving allegations or findings of bribery or corrupt business practices; and all criminal legal actions now pending or that have occurred within the last seven years against the entity submitting the proposal, the key personnel and any key employees in the organization that they report to; any holding company or subsidiary; any parent or affiliated company; and any partner or proposed subcontractor to Proposer for this proposal.

2.9 Restriction on Employment by Sex Offenders

The Proposer warrants that no person in its employment who has been convicted of a sex offense under the provisions of Chapter 25 of Title 9 of the Guam Code Annotated, or convicted of an offense defined in Article 2 of Chapter 28 of Title 9 of the Guam Code Annotated regardless of the jurisdiction in which the conviction was obtained, shall provide services on behalf of the Proposer relative to this procurement. If a Proposer is awarded a contract, and any person employed by the Proposer providing services under the resulting contract is subsequently convicted, then the Proposer warrants that it will notify the Government of the conviction within twenty-four hours of the conviction, and will immediately remove such convicted person from providing services under the resulting contract. If the Proposer is found to be in violation of any of the provisions of this paragraph, then the Government shall give notice to the Proposer to take corrective action. The Proposer shall take corrective action within twenty-four hours of notice from the Government, and the Proposer shall notify the Government when action has been taken. If the Proposer fails to take corrective steps within twenty-four hours of notice from the Government, then the Government in its sole discretion may suspend temporarily any resulting contract.

3.0 SCOPE OF SERVICES AND TECHNICAL SPECIFICATIONS

3.1 Scope of Services

The Receiver seeks a qualified Operator for the Layon Landfill, a new Municipal Solid Waste Landfill, and its appurtenant facilities, buildings, furniture, and features comprising the

assets to be operated and maintained through an Operating Agreement, substantially in the form of Agreement as included in Appendix A.

The Operator shall assume all operational responsibilities except recording of weights of incoming and outgoing Vehicles at the scalehouse; certain environmental monitoring activities except those conducted by a separate party under contract to the Receiver; all local, and federal reporting responsibilities; and be responsible, indemnify, and hold the Receiver and the Government of Guam harmless for any and all liabilities regarding the premises, present, and future, related to landfill operations at the site. The Operator shall also provide Intermediate Cover for Cells 1 and 2 at the Layon Landfill, and provide Disposal of all Acceptable Waste delivered to the Layon Landfill by the Solid Waste Management Division and its customers in good standing. All operations and construction shall conform to the Solid Waste Facility Permit and associated site operating and maintenance plan and other Landfill design plans and specifications, unless such are modified as agreed to by Receiver and such Governmental Entities as may be required by the Solid Waste Facility Permit or applicable regulations and law. See Agreement in Appendix A for additional Landfill-specific requirements of Operator.

Solid Waste collected by SWMD through its residential services and Transfer Stations will be delivered to the Landfill. Other commercial Haulers and the military are also anticipated to be customers of the Landfill. The Receiver will make no guarantee of Solid Waste quantity or composition to the Operator.

Operator shall recommend and Receiver will decide on engineering firm(s) to provide engineering services associated with the Landfill. However, the Operator will be required to obtain certain Permits, licenses, approvals, easements, and other authorizations for operation and expansion of the Layon Landfill, and prospective Proposers should make an independent determination of such requirements. See Appendix D for information regarding the status of required Permits for the Layon Landfill, including a list of Permits obtained and Permits yet to be obtained. A copy of each Permit that has been obtained is included in the CD-ROM.

Operator shall be responsible for the daily operation and maintenance of the Landfill and all associated property, disposal of all waste for which the Layon Landfill is permitted to accept and all other Acceptable Waste generated for Disposal as may be delivered by the Solid Waste Management Division and its customers for no less than the Term of Agreement; and diligent operation of the Layon Landfill in accordance with the Solid Waste Facility Permit. Operator's obligations shall include, but not be limited to:

- Paying all necessary operational cost and regulatory fees;
- Paying all costs of leachate disposal and condensate treatment and disposal, as applicable, except for those costs that are direct-billed to SWMD;
- Providing and maintaining all necessary operations equipment except the scales;
- Maintaining service of all site utilities (phone, water, electricity, and sewer);
- Maintaining all buildings and infrastructure and other site improvements;
- Performing general administration and management tasks, including engineering and planning incidental to complete operations, and submitting operation plans to the Receiver;
- Assuming all environmental liability related to operations and maintenance of the Layon Landfill;

- Providing a separate enclosed furnished office within the administration building, air conditioned, with locking doors and parking space at the Landfill for one employee of the Receiver or an employee of the SWMD designated by the Receiver. The furnished office shall include furnishings identified in the Agreement. The designated employee shall have access to a copy machine, a separate telephone and fax line. Provide at least one-half of the clerical floorspace (area 111 on drawing A1-110 on the construction plans) furnished for the SWMD. The SWMD will operate and maintain the scales and scale software at the Landfill and have personnel in the clerical area of the administration building during Landfill operating hours for waste receiving. SWMD will also do all customer billing and maintain records of Vehicles, waste weighed and certain other data, except those records and reporting of data required of the Operator. However, it will be the Operator's sole responsibility to conduct waste screening under protocol acceptable to the Receiver (see Appendix E to this RFP) and to prevent the acceptance of Solid Waste that is Excluded Waste and/or not permitted for Disposal at the Layon Landfill.

Landfilling

- Landfilling Acceptable Waste;
- Accepting and properly disposing of dead animals;
- Providing sufficient full-time employees at the Landfill and at the Working Face who spot traffic and inspect and check loads of incoming Solid Waste for Excluded Waste consistent with prudent landfill operations practices and industry standards for the size of landfill and types and volume of Solid Waste received;
- Performing waste screening in accordance with Applicable Laws and consistent with prudent landfill operations practices and industry standards for the size of landfill and types and volume of Solid Waste received and in accordance with Appendix E Waste Screening Protocol and the Solid Waste Facility Permit;
- Collecting and storing from the Landfill all Household Hazardous Waste ("HHW") diverted from the waste stream at the Landfill;
- Operating and maintaining systems for leachate management and condensate collection and pre-treatment if required. Operator shall maintain the leachate transmission forcemain in good working order at all times during the Term of the Agreement from the point where leachate is discharged into it at the sump area for Cells 1 and 2 to the point at which the line leaves the Landfill property boundary. As a contingency in the event of losing the ability to use the transmission line, the Operator shall have a contract with one or more licensed sewage haulers capable of transporting sewage/leachate to the Inarajan WWTP or other designated GWA facility;
- Maintaining sufficient full-time employees consistent with Applicable Laws, prudent landfill operating practices, health and safety standards, and traffic flow and furnishing all labor to perform the services required at Operator's own expense; and
- Excavating of Cover Material and obtaining any and all Cover Material required for the Landfill operation and Daily Cover and Intermediate Cover.

Recycling

- The Receiver expects the post-consumer recycling infrastructure to grow, presenting various outlets for different items. Currently, the Receiver has banned old corrugated containers (OCC), Yard Waste, and Construction and Demolition Debris as well as metallic items (e.g. white goods) and computers from being disposed of in

the Ordot Dump and expects that ban to continue for the Layon Landfill with the opening of the Layon Landfill. Also, the SWMD is implementing a curbside pilot program for the collection of certain plastics, metal and bimetal, and all fiber. If the pilot program should grow into an island wide recycling collection program for all of the SWMD customers, then it is possible, if not likely, that the Receiver will ban such material from entering into and being disposed in the Landfill. Since waste streams into the Layon Landfill will be consolidated through fewer and more controlled deliveries (the majority through a single Transfer Station), the Receiver expects the amount of banned items reaching the Layon Landfill will be minimal. The Operator shall address and manage banned materials and Recyclables that may be received at the Layon Landfill in accordance with the Solid Waste Screening Protocol (See Appendix E to this RFP).

One of the purposes of diverting waste from the Layon Landfill is to extend the life of the Layon Landfill. Proposers may provide options for the Receiver to consider which would divert more material from burial as long as it is to be beneficially used either on or off island. Such an operation could involve, for instance, composting.

Site Maintenance

- Controlling and picking up litter at the Layon Landfill;
- Mowing all grass areas on a regular basis;
- Performing all site security including off-hours;
- Repairing and maintaining all fences;
- Constructing and maintaining fire breaks;
- Operating, maintaining, and repairing all stormwater management and drainage facilities;
- Maintaining, repairing and replacing as needed all asphalt/concrete paving;
- Maintaining of internal water supply and electrical systems and all pumping equipment;
- Maintaining and cleaning of the operations roads;
- Providing housekeeping in all buildings and work areas;
- Performing litter control throughout the Landfill site and along the access road leading to the Landfill for a distance of one mile from the entrance gate;
- Maintaining the wheel wash to lessen the debris deposited on roads and streets;
- Maintaining and repairing as necessary, all interim covered areas of the landfill Cells and soil stockpile(s), including necessary seeding/sod; and
- Making any other repairs, as needed.

Use of Roads and Roadways – The Operator shall use the roads and roadways on the Landfill only for their designated purpose. The paved roads on the Landfill shall primarily be used by Vehicles bringing waste to the Landfill and certain landfill Vehicles and mobile equipment designed to travel on paved roads. Trucks or other suitable transport Vehicles used to haul mobile equipment to the Landfill may also use the paved roads provided these transport Vehicles do not exceed the load limits for paved roads.

Mobile equipment such as dozers and landfill compactors are prohibited from traveling on paved roads unless the Operator makes provisions to cover the paved surface to protect it from damage. The Operator shall construct and maintain separate soil or gravel-surfaced roadways for mobile equipment to provide access between the Working Face of the Landfill

and the maintenance building. A corridor has been established on the Site Plan for this purpose.

Prior to starting landfill operations, the Operator shall prepare and submit, as part of the Site Specific Landfill Operations Plan, a plan drawing to the Receiver with the alignment of a roadway that will be traveled by mobile equipment to gain access to the maintenance building. The drawing shall indicate the proposed locations along the roadway where paved roads may be affected. The Operator shall also provide a description of the preventive measures to be taken to avoid damaging them. The roadway alignment plan and associated preventive measures shall be approved by the Receiver.

3.2 Other Requirements and Specifications of Requested Service

3.2.1 Environmental Compliance

The Receiver desires to contract with an Operator that has a strong and positive environmental compliance record. The Operator shall have experience in solving and anticipating environmental and operational issues in a timely manner. Proposer shall describe how their operation will comply fully with all applicable Guam, local and federal Rules and Regulations. Proposer shall also provide a description of how their operational activities will anticipate and avoid future potential environmental and operations concerns and issues.

The Receiver is also interested in ensuring that the environmental and neighborhood impacts from the Landfill operation are minimized. Specific concerns include traffic, safety, noise, dust, birds/Vectors, litter, odors, other air quality impacts, and storm water run-off. Proposer shall describe in its proposal how these impacts will be mitigated to comply with all current and reasonably anticipated federal and GEPA requirements, and any other strategies for protecting environmental quality, such as clean fuels, modern engines with advanced air pollution control, special Vehicle safety features, special Landfill operating techniques and procedures, use of advanced monitoring and detection equipment, sound Solid Waste screening procedures, employee training, company substance abuse policy, company safety policy and training, etc.

3.2.2 Landfill Gas Collection and Control System

The Landfill Gas Collection and Control System (LGCCS) will be operated, managed and maintained by the Operator. The LGCCS is a conventional active gas collection, flare and blower system. The collection system consists of three basic components needed to deliver gas to a flare for disposal or energy recovery system for beneficial use:

- A network of horizontal gas collectors and vertical extraction wells;
- A piping network (gas header pipe) to collect gas from the wells and deliver it to the end use; and
- A system for collecting condensate and transferring it to the leachate disposal system.

The collection system delivers gas to a central blower and flare station located in the entrance area. Subject to demonstration of economic feasibility, an energy recovery facility

may be added in the future. The Operator will pay for all costs associated with the operation and maintenance and repair of the LGCCS.

The LGCCS facilities to be installed during Phase I landfill construction (Phase I = Cells 1 and 2) will be horizontal collectors consisting of perforated pipes placed within a gravel bed at the top of protective soil layer on the floor of Cells. Drawing L1.9 shows the horizontal collectors planned for Cell 1 and Cell 2. Horizontal collectors provide a means of collecting gas generated in the early stages of filling each new Cell. They also help minimize the migration of gas into the leachate collection and removal system (LCRS) below the protective soil layer.

Horizontal collectors are 4-inch perforated HDPE pipes placed in trenches above the protective cover soil before waste is placed in the Cell. Pipes are placed 150 feet apart across the Cell floor, and perforations are spaced to provide uniform vacuum and collection rates across the length of the collector. Each collector has a solid pipe section running up the side slope of the Cell, and has a valve and sample port at the location where it ties into the gas header pipe.

Vertical extraction wells will be installed in the areas of the Landfill after approximately 50 feet of waste has been placed. Vertical wells are typically constructed in 18-inch – 36-inch boreholes drilled to within 10 – 20 feet of the Landfill operations layer. See Figure 2 in the Landfill Gas Master Plan, Appendix C of the Design Narrative, Book 2 (document 1c in Appendix D of this RFP).

Piping systems to collect and deliver gas from the Phase I horizontal collectors will be constructed at the time the flare system is installed. This is projected to occur in the fourth year of site operations, or approximately 2014 based on the landfill gas generation estimates.

An area of approximately one acre is reserved for installation of equipment for Treatment of landfill gas and gas condensate. The landfill gas management facility will include blowers, condensate separation and one or more thermal flares for incineration of gas and condensate. Initial elements of this facility are expected to be needed at some point within the first 3 to 6 years of site operations, with additional capacity added from time to time. As noted above, it may become cost-effective to install some form of energy recovery as part of the gas management facility.

Proposers should refer to Appendix D for details of the Landfill Gas Master Plan (See Appendix C – Landfill Gas Master Plan of the Design Narrative in Book 2, which contains a detailed conceptual schedule for installation of the flare and energy generation facilities).

3.2.3 Financial Security

Irrevocable Letter of Credit

The Operator shall within fifteen (15) Days following the Contract Date provide to the Receiver and maintain in force for the Term of the Agreement an irrevocable, direct pay Letter or Letters of Credit in the amount of five million dollars (\$5,000,000) in substantially the form as shown in the Agreement as financial security for its true and faithful performance of the Agreement. The Letter of Credit shall provide that the Receiver, on behalf of the Government of Guam, may draw upon it upon a determination of an Operator

default under the Agreement. The Receiver, on behalf of the Government of Guam, shall be entitled to draw upon the Letter of Credit to provide for its damages (including Liquidated Damages) and other losses, costs or expenses resulting from a default under the Agreement. Failure to replace the Letter of Credit with another Letter of Credit or Letters of Credit (or provide evidence satisfactory to the Receiver of renewability of the existing Letter of Credit or Letters of Credit) at least ninety (90) Days prior to the expiration of an existing Letter of Credit shall, among other defaults, constitute a default for which the Receiver, on behalf of the Government of Guam, may draw upon that existing Letter of Credit or Letters of credit. Upon such a draw for non-replacement, the Receiver shall place the proceeds of that draw in a separate bank account for the benefit of the Solid Waste Management Division of the Government Account. That fund shall constitute a guarantee fund, the amounts in which may be used by the Receiver, with the approval of the District Court of Guam, to compensate the Solid Waste Division of the Government of Guam for any damages (including Liquidated Damages) and other losses, costs or expenses resulting from any default under the Agreement. The issuing financial institution(s) of the Letter(s) of Credit shall have a credit rating on its long-term debt in one of the three highest categories by a nationally recognized rating agency (e.g. Standard & Poor's rating of AAA, AA, or A).

The Letter(s) of Credit shall be payable in the Territory of Guam, and shall allow for multiple draws. If the credit rating of the issuing financial institution falls below the required credit rating set forth above, then the Operator shall obtain a replacement Letter or Letters of Credit within sixty (60) calendar Days of being notified from any source of the credit rating change. Any successor Letter of Credit shall be issued for a term of not less than one (1) year, and the Operator shall provide a new Letter or Letters of Credit, or evidence satisfactory to the Receiver of the renewability of the current Letter or Letters of Credit at least ninety (90) Days before the expiration date of the Letter of Credit then in effect. The Letter of Credit or Letters of Credit shall not require the Receiver or Government of Guam to state or clarify to the issuing financial institution that the Receiver has made any demand upon, or taken action against, the Operator as a condition to draw down on the Letter of Credit.

The provisions of the Letter of Credit or Letters of Credit shall not modify any right of the Receiver or the Government of Guam of any duty of the Operator which arises under the provisions of the Agreement.

3.2.4 Maintenance of Insurance

The successful Proposer shall submit evidence of required insurance on an original certificate of insurance not later than fifteen (15) Days following the Contract Date. Failure to submit the required document(s) may result in the Receiver rescinding the award. The proposal may thereafter be awarded to another Proposer.

The following insurance shall be obtained, paid for, and maintained by the Operator throughout the Term of the Agreement:

Comprehensive General Liability

\$2,000,000 per occurrence; \$2,000,000 products/completed operations; \$10,000,000 general aggregate.

Excess General Liability

"Follow form" coverage with limits of \$10,000,000, to include automobile liability and general liability.

Automobile Liability

\$1,000,000 combined single limit per accident for bodily injury and property damage. Coverage should be provided as "Symbol 1, any auto."

Workers' Compensation

Statutory coverage. Employer's Liability limits of \$1,000,000 each accident, \$1,000,000 disease each employee, \$1,000,000 policy limit.

Property Coverage

Operator's insurance is to be primary and coverage is to be written on a replacement cost, all risk basis for the buildings and the contents of the buildings and any structures, equipment, and materials owned by the Government of Guam that the Agreement places in the care, custody, or control of the Operator. Limits are to be sufficient to provide full coverage for replacement cost of the buildings and the contents. Limits will be reviewed annually by the Receiver and the Attorney General of Guam to allow for increased costs of repair and replacement.

Business Interruption

Coverage is to be a minimum of \$3,000,000 for the total or partial suspension of, or interruption in, the operation of the Layon Landfill, caused by loss or damage to or destruction of any part of the Landfill or its structures, equipment, or supplies, as a result of the perils insured against.

Pollution Liability/Environmental Impairment

Coverage is to be a minimum of \$10,000,000 per occurrence, \$20,000,000 aggregate. Coverage shall be on a "per project" basis unless specified otherwise. Policy to cover general environmental pollution liability, not limited to sudden accidental discharge and to include long-term environmental impact, applicable to bodily injury (including death) and property damage including loss of use of property that has not been physically injured or destroyed; clean up costs; and defense and settlement of all claims in connection with any loss arising from the Layon Landfill. Coverage shall apply to sudden and accidental and non-sudden pollution conditions, including the discharge, dispersal, release or escape of smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids or gases, waste materials or other irritants, contaminants or pollutants into or upon land, the atmosphere or any watercourse or body of water, which results in bodily injury and property damage.

If the policy is a claims made form, the retro date is to be the same as or prior to the Agreement effective date. Claims made policies must be maintained for at least 5 years after the completion of the service or the warranty date, whichever is later.

The policy shall contain an endorsement fully waiving any contractual liability exclusion contained in the policy without limitation or restriction. The policy may not contain a limitation of any kind that would limit any recovery thereunder to the amount of the Agreement or any component thereof. If the policy contains an exclusion for non-owned disposal sites, the Layon Landfill shall be removed from any such exclusion. The policy shall not limit or restrict in any manner coverage for the warranties, guarantees, and performance standards contained in the Agreement.

Deductibles/SIR's

Self-insured retentions and deductibles affecting required insurance must be acceptable to the Receiver and Attorney General of Guam. The Proposer must identify any self-insurance coverage and include:

- Names and addresses of any third party plan administrators;
- A written reserve policy that outlines reserve targets; and
- A listing of the excess coverage, specifying the insurance company, the policy or contract number and the limits of liability and the retention amount.

Annual reports containing the elements specified above must be submitted to the Receiver.

Coverages obtained through insurance pools or risk retention groups must also be acceptable to the Receiver and Attorney General of Guam.

Copies

The Receiver and the Attorney General of Guam are entitled, upon request and without expense, to receive certified copies of all required insurance policies and/or endorsements and to make reasonable requests for coverage modifications.

Other Insurance Provisions

The Receiver and the Government of Guam, its officials, and employees shall be named as an additional insured on the Commercial General Liability and Automobile Liability Insurance policies. The Government of Guam shall be named as loss payee on any property loss insurance policies. These insurance policies shall contain the appropriate additional insured endorsement signed by a Person authorized by that insurer to bind coverage on its behalf. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled, reduced in coverage or in limits except after thirty (30) Days' prior written notice has been provided to the Receiver and the Attorney General of Guam. If the policy is cancelled for non-payment of premium, only ten (10) Days' notice is required.

Insurance is to be placed with insurers with a Best rating of no less than "A-". The company must also be duly authorized to transact business in the Territory of Guam.

Workers' Compensation and Employers' Liability Coverage: The insurer shall agree to waive all rights of subrogation against the Receiver and the Government of Guam, its officials and employees for losses arising from the activities under the Agreement.

Certificates of Insurance and Endorsements effecting coverage required by this clause shall be forwarded to:

Office of the Attorney General
287 West O'Brien Drive
Hagatna, Guam 96910

and

Gershman, Brickner and Bratton, Inc.
Receiver for the Solid Waste Management Division
8550 Arlington Boulevard
Suite 304
Fairfax, Virginia 22031

The Operator's failure to comply with any of these provisions is a breach of contract by the Operator that entitles the Receiver to declare the Agreement void if the Operator does not remedy the breach within ten (10) Days after receipt of notice of breach from the Receiver.

3.2.5 Term of the Agreement and Assignment of the Agreement

The Initial Term of the Agreement shall be for seven (7) years. At the option of the Receiver, the Agreement may be renewed for two terms of five (5) years each (maximum of ten (10) years) under the same terms and conditions as are agreed to for the Initial Term, subject to the compensation adjustment provided for in this RFP.

Upon termination of the receivership, the Receiver may, with the approval of the Solid Waste Management Division of the Department of Public Works, or its successor in interest, assign this Agreement to the Solid Waste Management Division of the Department of Public Works, or its successor in interest, and the Operator shall not object to the assignment. Any other assignment contemplated by either of the Parties shall be upon the other Party's written approval.

3.2.6 Termination for Convenience

The Agreement entered into as a result of this RFP may be terminated by the Receiver or the Solid Waste Management Division of the Department of Public Works, or its successor in interest if the Agreement has been assigned to it, for convenience upon 180 Days written notice. If a termination for convenience occurs prior to the end of the Initial Term and the Operator is not in default of the Agreement, the Operator shall be entitled to a termination payment to compensate the Operator for losses associated with the early termination of the Agreement. Each Proposer shall complete the schedule of proposed termination payments provided in Proposal Form C-4. The payments proposed by the Operator, as may be modified through negotiations, shall become the termination payment to which the Operator is entitled if the Agreement is terminated early for convenience.

3.2.7 Implementation Schedule

The specific Implementation Schedule of services requested in this RFP is to be determined by the Receiver. It is anticipated that services requested in this RFP will commence in May 2011.

3.2.8 Fee and Payment

The Operator shall be compensated with a base fee for all Acceptable Waste received and landfilled during an Operating Year by the Operator up to and including 80,000 Tons and a variable fee for all Acceptable Waste received and managed by the Operator above 80,000 Tons per Operating Year. The base fee shall be paid monthly and shall include the Operator's profit on this part of the work. The Proposer may propose a flat variable fee or a variable fee that decreases as the Tons managed increase.

3.2.9 Cost and Fee Adjustments

The Operator's fee(s) will be subject to annual adjustment on each anniversary of the Operation Commencement Date by the Adjustment Factor, which is comprised of three indices that track labor costs, construction machinery and equipment costs, and diesel fuel costs. Proposal Form B-2 shall be used to propose the percentages of fees subject to adjustments. The indices include the Employment Cost Index and the series Construction Machinery and Equipment and No. 2 Diesel Fuel in the Producer Price Index.

Proposer shall identify the percentage of its proposed fee that is a fixed cost and percentages of its fee that are fuel related, labor related, and equipment and other related; provided, however, that the percentage of adjustment as fixed cost shall be no less than ten (10) percent. See Proposal Form B-2.

Construction Machinery & Equipment includes equipment used by disposal facilities. The Employment Cost Index's wages and salaries for private industry workers will be used as an indicator of salary changes. "No. 2 Diesel Fuel" reflects the national price trends for diesel fuel, since the PPI does not track regional diesel fuel pricing.

Any fixed pass-through or add-on surcharges or costs, such as any other surcharge by a Governmental Entity, will be deducted from the rate or price prior to calculating any annual fee or price adjustment. The percentages chosen by Proposer will apply to adjustment of Proposer's proposed operating fees by the noted indices.

3.2.10 Policies, Procedures, Ordinances and Conditions that could Affect Service Delivery

The Operator will be required to be in compliance with all applicable federal, GEPA, and local law, procedures, and operating rules. Certain of these include, but are not limited to:

- Applicable Government of Guam Law
- SWMD Rules
- Rules of the Guam Environmental Protection Agency
- The Solid Waste Facility Permit
- Rules of the Guam Waterworks Authority

3.2.11 Disaster Response

The Operator shall be actively involved in planning for and responding to any declared disaster. In the event an emergency or disaster is declared by a Guam or federal authority, the Receiver will inform the Operator of such occurrence and may direct the Operator to

suspend operations. Operation will be allowed to resume after the Receiver has been told there is no longer need for the landfill operations to be suspended.

3.2.12 Receiver Responsibilities

3.2.12.1 Administration

The Receiver will monitor and resolve any and all questions that may arise as to the quality, quantity, character, and classification of service performed by the Operator. Responsibilities will include approving the types of waste to be allowed, permit amendment and modification applications, operating hours, and plans for additional facilities.

3.2.12.2 Dispute Resolution

In the event of any dispute between the Receiver and the Operator as to the Operator's performance or the Receiver's decisions relative to the Agreement, the decision of the Receiver shall be final.

3.2.13 Monitoring Operator's Performance; Liquidated Damages

The Receiver shall monitor the Operator's performance of its obligations during each Operating Year throughout the Term of Agreement. The Operator shall provide timely and complete responses to requests for documents, electronic files, explanations, and access to Operator's personnel associated with the Receiver's performance monitoring.

The Receiver will consider all relevant aspects of Operator's performance including without limit: any existing areas of concern; proposed actions necessary to address areas of concern; the actions taken by Operator to address previously noted areas of concern, if any; any Liquidated Damages imposed on Operator during the current and prior Operating Year; a summary of any violations and associated penalties imposed by any Governmental Entity relative to the Landfill and any awards or commendations received by, or favorable comments made about, Operator in the course of performing its duties under the Agreement.

The Government of Guam and the customers of the Solid Waste Management Division will sustain real and substantial damages as a result of the Operator's failure to perform its obligations under the Agreement in a timely manner. Since it would be impractical or extremely difficult to fix the actual damages so sustained, the following amounts will be imposed as Liquidated Damages under the Agreement for the Operator's failure to timely perform Operator's obligations under the Agreement.

- a. General Operational Matters – Liquidated Damages in the following amounts will be imposed with respect to the Landfill where the following failure of performance occurs, for each Day of such failure of performance:
 - i. Daily and Intermediate Cover – One thousand dollars (\$1,000) shall be imposed for each failure to adhere to the daily and intermediate cover requirements of the Landfill Site Operating Plan as referenced in the Agreement.

- ii. Drainage and Ponding – One thousand dollars (\$1,000) shall be imposed for each failure to provide positive drainage or pump water from retention basins, as specified in the Agreement.
 - iii. Maintenance of Equipment in Operable Manner– Twenty-five hundred (\$2,500) shall be imposed for each failure to provide for substitute equipment, make necessary repairs to, or replace equipment that becomes inoperable, located at the Layon Landfill as provided for in the Agreement.
 - iv. Maximum Tipping Time for Waste Delivery Vehicles – One thousand dollars (\$1,000) shall be imposed for each failure to comply with the Maximum Tipping Time requirements for waste delivery Vehicles as specified in the Agreement.
 - v. Litter Control – Five hundred dollars (\$500) shall be imposed for each failure to effectively implement litter control and clean-up as required in the Agreement.
 - vi. Recyclables Diversion – Five hundred dollars (\$500) shall be imposed for each failure to comply with the operating procedures for all Recyclables diversion programs at the Landfill as specified in the Agreement.
 - vii. Submission of Reports/Documents – Three hundred dollars (\$300) shall be imposed for failure to submit required reports and/or documentation, as specified in the Agreement, for each Day of said violation per report and/or document; provided, however, that if the violation continues beyond five Days, the Liquidated Damages shall increase to one thousand dollars (\$1,000) per Day of said violation per report and/or document for each Day after five Days.
 - viii. Other – It is deemed unreasonable to list each and every task the Operator is to perform under the terms of the Agreement, and to assign a corresponding liquidated damage to be assessed for failure to timely perform such tasks. Therefore, for failure to timely perform any task required of the Operator by the Agreement, which is not specifically listed in this section (either herein above or below), the Operator shall pay three hundred dollars (\$300) as Liquidated Damages for each Day of said violation at the Landfill.
- b. Failure to Turn Over Records on Termination of Agreement – In the event that Operator fails to turn over all records relating to the Landfill on termination of the Agreement, as required by the Agreement, Liquidated Damages in the amount of two-hundred fifty thousand dollars (\$250,000) shall be assessed and shall be due and payable to the Solid Waste Management Division.
 - c. Liquidated Damages Regarding Customer Service – Should Operator, through repeated actions or inaction, cause formal, written complaints to be received by Receiver regarding Operator's performance of its obligations under the Agreement, including without limitation in responding to inquiries, requests for information, or complaints, the following provisions shall apply:

- i. Notice – Receiver shall, upon Receiver’s reasonable determination as to the legitimacy of such complaint(s), deliver a written notice to Operator by certified mail, return receipt requested, requesting Operator’s written explanation within seven (7) Days, and correction within fifteen (15) Days, of the issue(s) raised in the complaint.
 - ii. Liquidated Damages – Operator shall be assessed Liquidated Damages in the amount equal to three hundred dollars (\$300) per Day for the first five (5) Days, and one thousand dollars (\$1,000) per Day for each Day after five (5) Days; for each Day beyond seven (7) Days after receipt of the notice that Operator fails to respond to Receiver’s written request.
- d. Liquidated Damages for Regulatory Violations and Fines – Should Operator receive any Notice of Violation from the Guam Environmental Protection Agency, or be found in violation of Applicable Laws by a Governmental Entity, resulting in fine or monetary penalty, Operator shall be assessed Liquidated Damages in the amount of one thousand dollars (\$1,000) for each Notice of Violation and two times the amount of such fine or monetary penalty.
- e. Failure to Achieve Minimum Effective Density. The efficient use of the available capacity (air space) of the Landfill is of extreme importance to the Receiver and the Government of Guam, and Operator shall agree to operate the Landfill in such a way as to maximize the amount of Solid Waste disposed within the available air space by maximizing the compaction of the Solid Waste and minimizing the use of cover soil within the limits of Applicable Laws and regulation and the Site Operating Plan. The goal established for the Agreement shall be to achieve a Minimum Effective Density (MED) measured in pounds per cubic yard at the Landfill of 1,350.
 - i. Determination of Effective Density. Operator shall retain an independent, third-party engineer licensed in Guam to perform a survey of the surface of the waste. The engineer selected to do the survey will be approved by the Receiver. Prior to the start of operations, the Receiver will provide a survey of the as-built surface of the completed liner system to the Operator. This surface and the survey obtained from the survey performed by the engineer will be used to calculate the volume portion (V) for the first measurement of the Effective Waste Density. The Operator shall continuously track and record the weight of the Solid Waste being disposed at the Landfill. The Solid Waste weight used shall be the same weight as measured by SWMD at the scale house, taking into consideration any waste that was rejected as part of the Waste Screening Protocol. This information shall be used as the weight portion (W) of the Effective Density calculation.

The Operator shall use the as built design drawings or shall have completed an aerial or ground survey of the Landfill prior to the Operation Commencement Date to establish the volume portion of the Effective Density calculation at the start of the first measurement period.

The first Effective Density measurement period shall commence by the Operator within three (3) Days following the Operation Commencement Date of the Agreement. Each measurement period shall be approximately 12

months in duration and shall follow successively in each Operating Year without lapse throughout the Term of the Agreement. Effective Density shall be calculated using the volume measurement (V) in cubic yards and waste weight (W) in Tons from the same measurement period.

- ii. Imposition of Liquidated Damages. If the calculated Effective Density at the Landfill equals or exceeds the Minimum Effective Density (MED) of 1,350 pounds per cubic yard, there will be no Liquidated Damages imposed on the Operator. If, however, the calculated Effective Density at the Landfill is less than the Minimum Effective Density (MED) of 1,350 pounds per cubic yard then Liquidated Damages, in the amount determined using the following equation as shown by example in Figure 3-1, will be imposed.

$$\text{Liquidated Damages} = [(W) \div (MED)) - (V)] \times \$20/\text{cubic yard}$$

**FIGURE 3-1
EXAMPLE COMPUTATION OF LIQUIDATED DAMAGES
FOR FAILURE TO ACHIEVE EFFECTIVE DENSITY**

The following is an example of how Liquidated Damages would be determined for Operator's failure to achieve the Minimum Effective Density requirements.

$$\begin{aligned} \text{Minimum Effective Density (MED)} &= 1,350 \text{ lbs/cubic yard (0.675 Tons/cubic yard)} \\ \text{Weight (W)} &= 125,000 \text{ Tons example input from weigh records} \\ \text{Volume (V)} &= 186,567 \text{ cubic yards example input from measurement} \\ \text{Average Density Achieved} &= 1,340 \text{ lbs/cubic yard (.670 Tons/cubic yard calculated value)} \\ &= (W) \div (V) \end{aligned}$$

Average Density Achieved is less than the MED; therefore, Operator is subject to Liquidated Damages calculated as follows:

$$\text{Liquidated Damages} = [((W) \div (MED)) - V] \times \$20/\text{cubic yard}$$

$$\text{Liquidated Damages} = [125,000 \text{ Tons} \div .675 \text{ Tons/cubic yard} - 186,567 \text{ cubic yards}] \times \$20/\text{cubic yard}$$

$$\text{Liquidated Damages} = \$27,636$$

- f. Failure to Begin Operations by Operation Commencement Date. Eighteen thousand dollars (\$18,000) shall be imposed for each Day Operator fails to meet the Operation Commencement Date.

3.2.14 Step-In Provisions

In event of a breach of the Agreement by the Operator whereby an emergency condition is created and/or public health and safety are endangered, the Receiver shall have the right to step in and take over the Operator's responsibilities at the Landfill pursuant to the provisions of Section 14.03 (D) of the Agreement.

3.2.15 Reporting and Record Keeping

Operator shall maintain and submit to the Receiver accurate reports on a monthly, quarterly, and annual basis, which detail certain activity related to services pursuant to this RFP in a format approved by the Receiver. These reports shall include data for all materials handled from its services and as further described below.

Monthly and quarterly reports shall include, but not be limited to, the following current data:

- Total Tons received by material type, i.e., waste from SWMD, waste from transfer station(s) waste from the military, waste from commercial Haulers, all materials recovered for Recycling or beneficial use, including such materials used for construction, roads, or cover at the Landfill; and imported Cover Material;
- Total Tons, if any, rejected as Excluded Waste and a description of such Excluded Waste, identification of Person(s) delivering such Excluded Waste, date of rejection, and ultimate disposition (if known);
- Volume (cubic yards) of Cover Material used;
- Alleged or actual violations of Applicable Laws;
- A full and complete copy of all monitoring reports from Operator's environmental monitoring and results of any and all monitoring and testing of groundwater, surface water, air, landfill gas, condensate, and leachate which have been received or otherwise made known to Operator during the month;
- Written results of any GEPA inspections or inspections by any Governmental Entity or insurance carrier;
- Outages or downtime at the Landfill or affecting the Landfill which prevent receipt of Acceptable Waste, equipment, supplies, and services or normal operations and the reasons therefore;
- Leachate quantities delivered to GWA for treatment; and
- Such other information regarding the operations of the Landfill as the Receiver may reasonably require from time to time.

Annual reports to the Receiver shall include all the above data consolidated for each Operating Year, following the same format as the monthly report. In addition, the annual report shall specify the capacity of the Layon Landfill at the start of the Operating Year covered by the annual report, volume used during that Operating Year, and the estimated remaining permitted capacity of the Landfill in the constructed Cells. The Operator shall perform an aerial or ground survey which meets industry standards to determine such available capacity or volume of waste area and cover stockpile used during the period of measurement in each Operating Year and the results (including density calculations) shall be included in the annual report. Records shall be kept, as appropriate or customary, on a daily, weekly, monthly, cumulative monthly, annual, and cumulative annual basis, and shall be available to the Receiver upon request. The Operator shall file reports with the Receiver in a timely manner, but no less frequently than monthly, specifying all inspections by any Governmental Entity during the month of the report as a result of incidents and/or alleged or actual regulatory violations at the Landfill. Reports shall detail the nature and reasons for these occurrences as well as all results, findings and actions taken to resolve such incidents. Operator shall also notify the Receiver immediately of any fines or penalties levied and any actions that could have an adverse impact on the Operator or the Solid Waste Management Division, or both. Copies of any inspection reports, notices of Violations and correspondence from any regulatory agency regarding the Layon Landfill shall be included with the monthly report.

Operator will have a professional engineer licensed to practice in Guam prepare the quarterly and annual reports to the Guam Environmental Protection Agency, at Operator's expense, and submit the reports to the Receiver for review, giving reasonable time for such review, prior to the filing deadlines.

3.2.16 Closure and Post-Closure Care

Final Closure of Cells 1 and 2 will occur after Cells 1-6 have been developed and filled to interim final grades, and Cell 7 has been constructed and placed in service according to the permitted Closure and Post-Closure Care Plan. Until this has occurred, Cells 1 and 2 will continue to be managed under the current permitted Operations Plan and executed by the Operator in such a manner to be consistent with the permitted Closure and Post-Closure Care Plan. According to the Operations Plan, filled areas that will not receive additional waste fill for 60 Days or more should receive at least 12 inches of soil cover as Intermediate Cover.

When areas that have received Intermediate Cover are scheduled for additional waste filling, site personnel will use bulldozers to scrape off as much of the cover soil as possible before the additional waste is placed. The soil should be pushed into a temporary stockpile adjacent to the Working Face, for reuse as Daily Cover at the end of the Day.

Final Cover will be placed on filled areas that have reached approved final grades, in accordance with the site's approved Closure and Post-Closure Care Plan.

3.2.17 Site Specific Landfill Operations Plan

The Operator shall prepare and submit to the Receiver a Site-Specific Landfill Operations Plan within 30 Days after executing the Agreement. This plan will be reviewed and approved by the Receiver prior to the start of operations at the Layon Landfill. The Operator shall revise or amend this Plan periodically, per the request of the Receiver or as needed to address changes in site conditions or environmental rules and regulations. This plan will incorporate all of the requirements of the Operations Plan presented in the Solid Waste Facility Permit and the requirements of the Government of Guam Solid Waste Management Regulations. The Plan will also contain a detailed description of procedures to be used by the Operator that are not currently addressed in the Operations Plan made part of the Solid Waste Facility Permit. As a minimum, the Operator shall provide the following information in the Site-Specific Landfill Operations Plan:

- General Information and Background
- Service Information
 - Customers Served
 - Acceptable Waste
 - Excluded Waste
 - Procedures for Handling Excluded Waste
- Site Preparations and Filling Sequence Plans
 - Operator to provide a detail description of the location and direction of landfill for the next 12 months of operations
 - Procedures for Placing the First Lift Directly on the Liner System

- Second and Subsequent Lift Placement and Compaction
 - Daily and Intermediate Cover Areas
 - Soil Borrow Area and Stockpile Development
 - Projected Quantities of Soil to Be Used.
- Personnel
 - Manpower and personnel – Provide a list of positions and a job description for that position.
 - Operational Training
 - Hiring New Employees
 - Safety Training and Site Safety Plan
 - Emergency Response
- Operational Conditions
 - Site Access and Egress – Traffic routing
 - Hours of Operation
 - Inclement Weather
 - Waste Handling – Routine
 - Special Waste Handling Procedures
 - Handling unacceptable waste at the active face
 - Litter Control
 - Dust, Odor and Vector Control
 - Handling Hot loads and Fire Control
 - Recycling and Salvaging
 - Daily Cleanup
- Landfill Equipment
 - Placing and compacting waste
 - Daily Cover
 - Intermediate Cover
 - Alternate Daily Cover
 - Final Cover
- Control and Monitoring of Liquids and Landfill Gas
 - Groundwater Monitoring
 - Landfill Gas Monitoring
 - Leachate Levels and Daily Quantities
 - Stormwater Management Basins
- Communications
 - Internal Communications
 - External Communications
- Inspections Plan
 - Landfill Cover and Litter around active Disposal areas
 - Storm water Basins
 - Erosion and Sedimentation in ditches and open areas
 - Leachate Collection and conveyance piping and fittings
 - Leachate pumps, risers and storage tanks
 - Subdrain system and outlets

- Site Buildings and Utilities
 - Potential Leaks and Spills
- Emergency Contingency Plan
 - Loss of Electrical Power
 - Fuel Spill
 - Personal Injury
 - Fire
 - Severe Weather or Typhoons
- Reports and the Operational Record
 - Daily Inspection Reports
 - Environmental Monitoring (ground water, gas and air quality)
 - Leachate Management Facilities
 - Stormwater Management and Erosion and Sediment Controls
 - Monthly Reports
 - Quarterly Reports
 - Annual Reports
 - Regulatory Inspection Reports and Correspondence

3.2.18 Performance Standards

With respect to all Work performed by the Operator under the Agreement, Operator shall be in compliance with all (and shall meet all standards for the operation of the Landfill contained in any) Applicable Laws. Operator shall perform all Work where no specific performance standard is otherwise provided for in the Agreement, to a generally accepted standard of performance expected of a competent and experienced individual who performs work of such nature for his or her livelihood, including maintaining an agreeable professional relationship with other contractors who may share the site. In addition to any other of its rights, the Receiver may require that the Operator, at Operator's sole cost and expense, review and correct any errors or deficiency in any Work that does not meet the above specified standard.

Operator shall perform engineering and planning services in accordance with generally accepted standards of professional engineering or planning practice. In addition to any other of its rights, the Receiver may require that the Operator, at Operator's sole cost and expense, review and correct any errors or deficiency of the Operator's studies, designs, reports, and/or other engineering or planning services. Further, Operator shall be responsible for the costs of correction of any faulty physical construction resulting from errors or omissions in its engineering or planning services.

In the event that Operator utilizes subcontractors in performing any Work required to be performed by Operator under the Agreement, Operator shall require subcontractors to meet the performance standards specified in the Agreement. Operator shall be responsible for such Work as though Operator performed such Work without the use of a subcontractor.

Operator and its subcontractors shall be appropriately licensed to perform all Work in accordance with Applicable Laws.

Operator shall have primary responsibility to establish and implement the procedures governing access to the Landfill, the use thereof and operation thereof by the Operator. Notwithstanding the foregoing, no such procedure shall conflict with: (i) any Applicable Laws or regulations; (ii) any provision of the Agreement; or (iii) any established procedure of the Solid Waste Management Division. Further, the Receiver retains the right, but not the obligation, to review, amend and disapprove of any such procedure.

In performing its duties under the Agreement, Operator shall be required, pursuant to direction provided by the Receiver, to coordinate such performance with the performance of the duties required of the contractors under each of the other contracts the Receiver has for certain services and/or facilities at or associated with the Landfill or its use and access.

3.2.19 Equipment and Equipment Maintenance Standards

Operator shall maintain all of the properties, facilities and equipment used in providing landfill service under the Agreement and also in a safe, orderly, clean and operable condition at all times. Equipment selected for use at the Landfill shall meet or exceed federal emission standards.

Proposer shall furnish a list of the mobile equipment that will be used to operate the Layon Landfill. Mobile equipment such as dozers, compactors and others listed on Form B-1 shall have a maximum of 4,000 operating hours and be in good working order at the time the equipment is delivered to the Layon Landfill to commence operations under the Agreement. The Operator shall provide the Receiver with a certification of the operating hours and other relevant documentation such as maintenance records for each equipment item at least 30 Days prior to the Operation Commencement Date. Any equipment used to spread or compact waste or work on the waste surface of the Landfill shall be equipped with waste handling features and options as recommended by the equipment manufacturer to extend service life and enhance productivity.

Operator shall inspect each piece of equipment daily to ensure that all equipment is operating properly. Equipment that is not operating properly shall be taken out of service until it is repaired and does operate properly; and Operator shall perform all scheduled maintenance functions in accordance with the manufacturer's specifications and schedule. Operator shall keep accurate records of all equipment maintenance. The records shall be recorded according to date and engine hours or operating hours, as applicable. The Operator shall make such records available to the Receiver and Solid Waste Management Division, upon request, to the extent necessary to insure compliance with manufacturer's recommended scheduled service.

Availability of equipment is essential for safe operation of the Landfill and protection of public health and the environment. Operator shall repair, or arrange for the repair of, all of its Vehicles and equipment for which repairs are needed because of accident, breakdown or any other cause so as to maintain all equipment in a safe and operable condition. Operator shall maintain accurate records of repair, which shall include the date/engine or operating hours, nature of repair and the signature of a maintenance supervisor that the repair has been properly performed. Operator shall have back-up equipment and/or an equipment lease arrangement for expeditious replacement of essential operating equipment if need arises to take such equipment out of service for emergency repair.

3.2.20 Personnel Standards

Operator shall furnish such trained, qualified Operators, mechanical, supervisory, clerical and other personnel as may be necessary to provide the services required in a safe, economical and efficient manner.

All employees of the Operator performing work under the Agreement shall be uniformed showing their association with the Operator while onsite during operating hours and display a Operator-issued badge identifying them as an Operator employee.

Operator shall regularly train its employees in customer courtesy, and shall prohibit the use of loud or profane language.

Operator shall not, nor shall it permit its employees to, demand or solicit, directly or indirectly, any additional compensation of gratuity from members of the public for services provided under the Agreement.

If any employee is found not to be courteous or not to be performing services in the manner required by the Agreement, Operator shall take all appropriate corrective measures. If Receiver has notified Operator of a complaint related to discourteous or improper behavior, Operator will consider reassigning the employee to duties not entailing contact with the public while Operator is pursuing its investigation and corrective action process.

Operator shall provide suitable operational and safety training for all of its employees who utilize or operate equipment under the Agreement. Operator shall train its employees in Solid Waste Disposal to identify Hazardous Waste and Infectious Medical Waste. All equipment Operators shall be suitably trained and qualified in the operation of waste handling equipment.

Operator shall designate qualified employees as supervisors of field operations. Supervisors will be in the field for inspection of Operator's work and will be available by radio or phone during the Operator's hours of operation to handle calls and complaints from the Receiver and/or the Solid Waste Management Division, or to follow-up on problems and inspect Operator's operations. Supervisors must be able to communicate with and understand employees and Landfill customers. Operator must have an employee onsite during all hours of operation who has a valid certification from the Solid Waste Association of North America as a Manager of Landfill Operations.

Operator shall maintain policies and procedures that promote a drug-free workplace. Operator shall provide a list of current employees to the Receiver and the Solid Waste Management Division and provide an updated list to the Receiver and the Solid Waste Management Division within ten (10) Days of any employee changes.

3.2.21 Use of Subcontractors and Consultants by Operator

The Operator will not sub-contract, or enter into any consulting or subcontracting agreements pertaining to Operator's obligations under the Agreement, without obtaining prior approval from the Receiver. In no event will any subcontracting by the Operator relieve the Operator from any of the obligations or conditions of the Agreement on its part to be performed. Any of the Operator's subcontractors or consultants will be considered the agent and employee of the Operator, and the acts or omissions of the subcontractors or

consultants and any person directly or indirectly acting for them will be deemed to be the acts or omissions of the Operator, and the Operator will remain liable and responsible to the Receiver and the Solid Waste Management Division as if no subcontract or consulting contract had been made.

The following information must be provided to the Receiver and the Solid Waste Management Division prior to the beginning of any work by a subcontractor or consultant:

- Name;
- Address;
- Point of Contact;
- Phone Number;
- Scope of Work; and
- Certificate of Insurance.

4.0 PROPOSAL SUBMISSION REQUIREMENTS

4.1 General Requirements

Proposers shall review this RFP SWD001-10, review the terms of the draft Operating Agreement in Appendix A, review all information regarding the Layon Landfill and the Layon Landfill site as is available from the Receiver, the Solid Waste Management Division and the Government of Guam, visit the Layon Landfill and observe the facility, appurtenances, features, and assets to be operated, and make an independent determination of the conditions of the Layon Landfill and requirements under the Agreement.

Submission of a proposal shall constitute acknowledgment and acceptance of all the terms and conditions contained in this RFP and in the respective draft Agreement in Appendix A unless exceptions to particular terms and conditions are expressed in writing in the proposal. The successful Proposer will be expected to enter into an Agreement with the Receiver substantially as included herein. The Receiver is not obligated to agree to exceptions to the conditions of this RFP or draft Agreement taken by any Proposer, but reserves the right to negotiate modification of such noted exceptions.

Each and every term and condition of the proposal shall be irrevocable until the Receiver enters into an Agreement for the Operation of the Layon Landfill for the proposed pricing according to the terms and conditions of the Agreement. Within fifteen (15) Days following the Contract Date of the Agreement, the Proposer is bound to provide evidence of all required insurance, and furnish the financial security (Irrevocable Letter of Credit) as required. The terms of this RFP and the proposals shall be firm for a period of one hundred and eighty (180) Days. Upon presentation of a final Agreement, Proposer shall have 14 Days to execute the documents.

Once submitted, proposals in response to this RFP cannot be altered without the Receiver's express written consent. Proposals may be withdrawn in writing at any time prior to the completion of evaluation by the Receiver and selection of a Proposer for negotiations. A proposal may also be withdrawn in person by a Proposer, provided the withdrawal is made prior to the completion of evaluation by the Receiver and selection of a Proposer for negotiations. The Proposer must sign a receipt of withdrawal.

Proposals withdrawn prior to the due date may be resubmitted, with or without modifications, up to the due date and time. The Receiver may require proof of agency from Person withdrawing proposal.

4.1.1 Compliance with RFP

All proposals must be in compliance with this RFP. To be considered, a proposal must be accompanied by the Proposal Security as per Section 4.1.10 herein. The proposals must be submitted in a bound format, double-sided, except where impractical. Proposers shall also submit an electronic copy (Portable Document Format) in addition to the hard-copy proposal. Each Proposer must furnish the information required by the RFP. Proposals submitted without information and the forms included in the RFP will be considered non-responsive. Any attempt to alter the wording in the RFP may result in rejection of the proposal.

Usually agreements for services, such as the one which is intended to result from this RFP, are subject to the Guam Gross Receipts Tax. Proposers should consider the potential taxability of the services under the Agreement under the Guam Gross Receipts Tax and other taxes when submitting their proposal.

A detailed listing of the Proposal Forms to be completed and submitted with the proposal is provided in Section 4.2, and all Proposal Forms are attached to this RFP. All Proposal Forms required to be submitted must be included with the proposal. The Proposer must sign each document or Form in the Proposal where a signature is required. Failure to comply with all provisions of this RFP may result in disqualification of a Proposer.

No lobbying of the Receiver, employees of the Solid Waste Management Division, or officials or employees of the Government of Guam will be permitted or tolerated during this process, from issuance of the RFP until public announcement of a selected Operator.

4.1.2 Delivery and Acceptance of Proposals

Proposals may be mailed, couriered or hand delivered to the Solid Waste Management Division, 542 North Marine Corps Drive, Tamuning, Guam 96913. All proposals must be received at the Solid Waste Management Division by no later than 2:00 p.m., ChST, October 22, 2010. Proposals received after this time will be returned unopened. Postmarks will not be accepted as proof of receipt.

Proposers are reminded that the U.S. Postal Service (U.S.P.S.) deliveries may be delayed. Proposers are responsible for on-time deliveries of proposal documents to the Solid Waste Management Division, and are strongly encouraged to use alternate means, such as overnight/hand delivery carriers, or allow ample time for U.S.P.S. deliveries to be received in time.

Proposer must submit one (1) original and eight (8) numbered copies of each proposal (total of nine) in a sealed envelope or box. Proposers shall mark the RFP Number, due date, and company name clearly on the outside of the box or envelope. Proposals received on time will be opened. Any material that is to be considered confidential in nature must be clearly marked as such and shall be treated as confidential to the extent allowable under the Guam Law. Trade secrets, proprietary and/or confidential information MUST be placed in a separate envelope marked "CONFIDENTIAL INFORMATION" and EACH PAGE must be

marked "CONFIDENTIAL INFORMATION." Failure to identify proprietary information will result in all unmarked sections being deemed non-proprietary and available upon public request.

In the event that the Receiver receives a request for information that a Proposer has previously marked as proprietary or confidential, the Receiver will confer with the Attorney General of Guam on the matter and will notify the Proposer in accordance with Guam Law. In no case will any information be released until after an Agreement is negotiated and executed.

4.1.3 Interpretations and Addenda

Any explanation, clarification, or interpretation desired by a Proposer regarding any part of the RFP must be requested in writing from the Receiver no later than the date specified herein. Requests for explanations or clarifications may be emailed or mailed to the Receiver's contact for this RFP:

Linda Ibanez
Solid Waste Management Division
542 North Marine Corps Drive
Tamuning, Guam 96913
E-mail: lindaibanez@gmail.com
Phone: 671-646-3239

All requests must be received by the dates specified in Section 1.2 and clearly identify the Proposer's company name, point of contact and RFP number. Nothing stated or discussed orally during any conversation, pre-proposal conference, interview or other session shall alter, modify or change the requirements of the RFP. Only interpretations, explanations or clarifications of this RFP and answers to questions that are incorporated into a written addendum to this RFP issued by the Receiver shall be considered by Proposers. All addenda will be posted on the Receiver's website, but it shall be the responsibility of Proposers to make inquiries as to the addenda issued. All such addenda shall become a part of this RFP, and all Proposers shall be bound by such addenda. Each addendum issued will be on file in the Solid Waste Management Division. Each Proposer must acknowledge its receipt of all addenda by completing the appropriate section of the Proposer Information Form C-1, which must be submitted with its proposal. Other communications with Proposers, at the discretion of the Receiver, may be issued by mail, email and/or placed on the Receiver's website www.guamsolidwastereceiver.org.

4.1.4 Ambiguity, Conflict or Errors in RFP

Proposers are expected to examine all documents that make up the RFP. The Receiver assumes no responsibility for any errors or misrepresentations that result from the use of an incomplete RFP. If a Proposer discovers any ambiguity, conflict, discrepancy, omission, or other error in this RFP, it shall immediately notify the Receiver of such error in writing and request modification or clarification of the document. The Receiver will make modifications by issuing an addendum and will post such addendum on the Receiver's website. The Proposer is responsible for clarifying any ambiguity, conflict, discrepancy, omission, or other error in the Request for Proposals prior to submitting the proposal or it shall be waived.

4.1.5 Implied Requirements

Products and services that are not specifically requested in this RFP, but which are necessary to provide the functional capabilities proposed by the Proposer, shall be included in the proposal.

4.1.6 Information Provided by Receiver

Information included in or provided with this RFP is provided solely for the convenience of the Proposers. WHILE THIS INFORMATION IS BELIEVED TO BE ACCURATE, NO REPRESENTATION OR WARRANTY OF ANY KIND IS MADE BY THE RECEIVER AS TO THE ACCURACY OR COMPLETENESS OF THE INFORMATION INCLUDED IN OR PROVIDED WITH THIS RFP. Proposers are solely responsible for conducting such independent due diligence investigations as may be necessary for the preparation of proposals. The Receiver, the Solid Waste Management Division, the Government of Guam and its employees, consultants, agents and advisors are not responsible for the completeness or accuracy of any information distributed or made available, orally or in writing, during this procurement process.

4.1.7 Costs and Expenses of Proposers

The Receiver accepts no liability under any circumstances for any costs or expenses incurred by Proposers in making a proposal, visiting and evaluating the Layon Landfill, attending any meetings or interviews and participating in negotiations of the Agreement, or in acquiring information, clarifying or responding to any condition, request or standard contained in this RFP. Each Proposer that participates in this procurement process does so at its own expense and risk and agrees that the Receiver, the Solid Waste Management Division and the Government of Guam shall not reimburse any costs incurred during this process whether or not any award results from this solicitation.

4.1.8 Cancellation or Modification of RFP and Rejection of Any and All Proposals

The Receiver reserves the right to withdraw this RFP at any time and for any reason and to issue such clarifications, modifications, and/or addenda, as it may deem appropriate. If there is any disagreement or discrepancy between this RFP and any supplement or addendum, the most recent supplement or addendum shall govern. The Receiver reserves the right to waive irregularities in proposals, if such action is in the best interest of the Solid Waste Management Division. Any such waiver shall not modify any remaining RFP requirements or excuse the Proposer from full compliance with the RFP specifications and other Agreement requirements if the Proposer is awarded an Agreement.

The Receiver shall accept all proposals for review that are prepared and submitted in conformance with this RFP, but reserves the right to accept or reject in whole or in part any or all proposals submitted. The Receiver reserves the right to request clarifications or corrections to proposals. The unreasonable failure of a Proposer to promptly supply information in connection with such a request may be grounds for a determination of non-responsibility and rejection of the proposal. Receipt of a proposal by the Receiver or submission of a proposal to the Receiver confers no rights upon the Proposer, nor does it obligate the Receiver or the Solid Waste Management Division in any manner. The Receiver reserves, at its sole discretion, the right to determine which Proposers are qualified to provide services requested in this RFP.

The Receiver, in its sole discretion, may exclude a Proposer from further participation in the negotiation process if it determines that the Proposer is severely falling behind in the negotiations, without any apparent or documented reason for such delay. The notification of such exclusion from further negotiation shall be in writing, signed by the Receiver and delivered to the Proposer by certified mail, and the Proposer's Proposal Security shall be subject to forfeiture.

Material and/or submissions presented during the negotiation process will not be returned and will be retained by the Receiver for official record purposes. The Receiver will retain all copies of these materials in whatever manner it deems appropriate.

4.1.9 Conducting Investigations/Requesting Supplementary Information

The Receiver reserves the right to conduct investigations with respect to the qualifications, experience and representations of the Proposer and Proposer team members and to require Proposers to supplement, clarify or provide additional information in order for the Receiver to evaluate the proposals submitted. Each Proposer and Proposer team member, through its request for and receipt of this RFP and participation in this procurement, consents to such investigations.

4.1.10 Proposal Security

Proposal Security in the amount of one hundred and fifty thousand dollars (\$150,000) made out in favor of the Solid Waste Management Division must accompany the Proposer's proposal. Acceptable forms of Proposal Security are: Proposal Bond; Irrevocable, Direct Pay Letter of Credit; or Certified Check. The Proposal Security must be in a separate, sealed envelope labeled Proposal Security, with Proposer's name and the RFP number, and placed inside the front binder cover of the "original proposal" in the sealed box or envelope of proposals.

If a Proposer withdraws its proposal after being selected for negotiations, fails to negotiate in good faith with the Receiver, or if, after the Receiver and the Proposer agree on terms of the Agreement, the Proposer fails to sign the Agreement within fourteen (14) Days after a copy of the Agreement has been presented to it, the Proposal Security shall be forfeited and retained by the Solid Waste Management Division as liquidated damages.

Any withdrawal by a Proposer shall be in writing, signed by the same individual who signed the Proposal Cover Letter and delivered to the Receiver by certified mail at the Solid Waste Management Division at the address set forth above.

4.1.11 Proposer's Indemnification of Receiver, Solid Waste Management Division and Government of Guam

PROPOSER DOES HEREBY AGREE TO WAIVE ALL CLAIMS, RELEASE, INDEMNIFY, DEFEND AND HOLD HARMLESS RECEIVER, THE SOLID WASTE MANAGEMENT DIVISION, THE GOVERNMENT OF GUAM AND ALL OF ITS OFFICIALS, OFFICERS, AGENTS AND EMPLOYEES, IN BOTH THEIR PUBLIC AND PRIVATE CAPACITIES, FROM AND AGAINST ANY AND ALL LIABILITY, CLAIMS, LOSSES, DAMAGES, SUITS, DEMANDS OR CAUSES OF ACTION INCLUDING ALL EXPENSES OF LITIGATION AND/OR SETTLEMENT, COURT COSTS AND

ATTORNEY FEES WHICH MAY ARISE BY REASON OF INJURY TO OR DEATH OF ANY PERSON OR FOR LOSS OF, DAMAGE TO, OR LOSS OF USE OF ANY PROPERTY OCCASIONED BY ERROR, OMISSION, OR NEGLIGENT ACT OF PROPOSER, HIS OFFICERS, AGENTS, EMPLOYEES, SUBCONTRACTORS, INVITEES OR ANY OTHER PERSON, OR FOR ANY CLAIM, LOSS, DAMAGE, SUIT, DEMAND OR CAUSE OF ACTION RELATING TO THE PROPOSAL, AWARD, NEGOTIATION, OR SELECTION OF PROPOSER ARISING OUT OF OR IN CONNECTION WITH THIS RFP NO. SWD001-10, AND PROPOSER WILL AT HIS OR HER OWN COST AND EXPENSE DEFEND AND PROTECT THE RECEIVER, THE SOLID WASTE MANAGEMENT DIVISION, AND THE GOVERNMENT OF GUAM FROM ANY AND ALL SUCH CLAIMS AND DEMANDS.

4.1.12 Proposal Format

Proposers must utilize the format presented in this RFP. A detailed listing of the Proposal Forms to be completed and submitted with the proposal is shown in Section 4.2 below. Also, see Section 4.1.10 regarding submission of Proposal Security. Responses shall be referenced to the pertinent sections of the RFP. Failure to comply with provisions of the RFP may result in disqualification. The items listed below, and the designated locations thereof, shall be included in the proposal and in the order shown. Each section shall be clearly labeled, with pages numbered and separated by tabs. Failure by a Proposer to include information, Proposal Security, and forms requested in this RFP may result in the rejection of its proposal.

Tab I Cover Letter, Qualifications and Experience

Provide a cover letter indicating the underlying philosophy of the Proposer in providing the services requested. The fully executed cover page of this RFP SWD001-10 and completed Proposal Forms C-1, C-2, C-3, C-4, C-5, C-6, C-7, C-8, and C-9 shall be included in this Tab I.

Provide information that documents the Proposer's qualifications (including subcontractors, if any) to produce the required outcomes, including ability, capacity, skill, and experience of both Proposer and Guarantor. All information as requested in RFP Sections 2.2, 2.3, and 2.8 shall be included in this Tab I.

Tab II Operational and Management Plan and Technical Proposal

Provide the following in this Tab II:

- Description of the Proposer's staff to be employed and the role of each member, identifying all key personnel, in performing the proposed service(s). Attach resumes of all company officers, managers, and senior-level supervisors who will be involved in the management and delivery of the services. Include all information as requested in RFP Section 2.4;
- Description of all subcontractors, if any, to be used including their role, responsibility, staff, location, and reporting relationships;
- Proposed organizational structure, interrelationships, and interactions and specific plan describing how Proposer will work with the Receiver;
- Transition plan describing Proposer's plan to move equipment onto the Landfill, interface with existing contractors on and off-site, develop and apply appropriate software for reporting and record keeping to interface with Solid Waste Management

Division; and conduct such other activities and planning to ensure smooth implementation of the Landfill operations of the Proposer, as Operator;

- Detailed plan of approach (including major tasks and sub-tasks) in performing the service(s) proposed;
- Listing and description of equipment to be permanently located onsite and used by Proposer for services proposed;
- Public relations and education program that Proposer will provide;
- Quality control methods, complaint management and resolution procedures;
- Any complementary or additional services available to improve the value customers and neighbors of the Landfill are receiving or to enhance their quality of life or address special needs;
- Methods for ensuring environmental compliance and service quality (include copies of related company policies);
- An emergency operation and disaster recovery plan;
- Contingency plans for how the Operator will notify the Receiver and resolve the situation in case of site problems, temporary shutdown, or other events which may delay the landfilling of waste;
- Worker training and worker incentives; and
- Proposer's employment standards and policies.

Tab III Exceptions to the Terms and Conditions of Agreement

Proposer shall indicate any exceptions to the general terms and conditions of the RFP and/or draft Agreement (as presented in Appendix A). All exceptions must be listed, referencing the section of the RFP or Agreement to which they apply. Proposer shall describe the nature of each exception and provide proposed substitute language. Proposer shall indicate any additional information that would be required by Proposer to complete its investigation of the Layon Landfill and execute the Agreement. Proposer shall describe any constraints or requirements regarding the execution of the Agreement and identify any conditions attached to Proposer's proposal. The Receiver attaches considerable importance to the terms of the Agreement, and a proposal that is subject to significant modification to the draft Agreement or extensively conditioned will be at a disadvantage.

Tab IV References

Proposer shall include references where similar services have been or are being provided. Name of community, contact, address and phone number shall be provided for each reference. All information requested in RFP Section 2.5 shall be included in this Tab IV.

Tab V Financial Stability and Ability to Obtain Insurance and Financial Security

Proposer shall include all financial qualifications data as requested in RFP Section 2.6 and current insurance coverage as requested in RFP Section 2.7. Proposer shall highlight data that demonstrate financial strength and stability. Proposer shall also demonstrate the ability to obtain and maintain all insurance and financial security as required in the RFP and described in RFP Sections 3.2.3 and 3.2.4, and the draft Agreement.

Tab VI Cost

Proposer shall provide proposed pricing for operation of the Layon Landfill. Completed Itemized Annual Operating Cost Proposal Form B-1 shall be included in this Tab VI. Proposer's proposed Operating Fee with percentages to be adjusted by the Adjustment Factor (see Section 3.2.9 and Proposal Form B-2) also shall be included in this Tab on completed Proposal Form B-2.

4.2 Proposal Forms

4.2.1 Cost Proposal Forms

Proposal Forms for Itemized Annual Operating Cost (Proposal Form B-1) and Operating Fee Proposal (Proposal Form B-2) are included as attachments in Appendix B. Each Cost Proposal Form in Appendix B shall be completed and included in Tab VI of Proposer's proposal.

4.2.2 Other Proposal Forms

Other Proposal Forms are included as attachments in Appendix C. Other Proposal Forms to be completed by Proposer and submitted with the Proposal, under the appropriate tab as per the Proposal Format described in Section 4.1.12, include:

- C-1 Proposer Information Form
- C-2 Certification of Non-Discrimination in Employment
- C-3 Guarantor Acknowledgment
- C-4 Convenience Termination Payments

The Guam Procurement Law requires each Proposer to make certain disclosures. Some of the disclosures are required for a Proposer to submit a proposal. An explanation of these disclosures follows. The required disclosure forms (C-5 through C-9) must be completed and included with the Proposal. Failure to complete and submit all the forms will automatically disqualify a proposal as being non-responsive, and such proposal will not be evaluated.

1. Affidavit Disclosing Ownership and Commissions (Form C-5). As a condition of proposing and doing business with the government, a Proposer must disclose in the form of an affidavit the names of all persons owning more than ten percent of the outstanding interest of the Proposer's business during the twelve-month period immediately preceding the date a proposal is submitted, including the percentage owned by each such person or entity.

The same affidavit must also disclose the identity of anyone who has received or is entitled to receive a commission, gratuity, percentage, brokerage or other compensation or contingent arrangement for procuring a contract with the purchasing agency or for assisting the Proposer in obtaining business related to this Request for Proposals, and the value or amounts. Please note that commissions, gratuities, percentages, contingency fees, or other compensation for the purposes stated herein are prohibited by Guam law, except that this prohibition does not apply to fees payable by the Proposer upon contracts or sales secured or made through *bona fide* established commercial or selling agencies maintained by the Proposer for the purpose of securing business.

2. Affidavit re Non-Collusion (Form C-6). The Proposer must represent that its offer is genuine and not a sham and that the Proposer is not in collusion with others, and that the Proposer has not colluded, conspired, connived or agreed, directly or indirectly, with any other Person or Proposer to put in a sham proposal, or to fix the cost of the contract, or to secure any advantage against the government or any person interested in the contract.

3. Affidavit re No Gratuities and Kickbacks (Form C-7). The Proposer must represent that it has not violated, is not violating, and promises that it will not violate, the prohibition against gratuities and kickbacks set forth in the Guam Procurement Law. The prohibition is as follows: It is a breach of ethical standards for any Person to offer, give, or agree to give any government employee or former government employee, or for any government employee or former government employee to solicit, demand, accept, or agree to accept from another Person, a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, preparation of any part of a program requirement or a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing, or in any other advisory capacity in any proceeding or application, request for ruling, determination, claim or controversy, or other particular matter, pertaining to any program requirement or a contract or subcontract, or to any solicitation or proposal thereof. Further, it shall be a breach of ethical standards for any payment, gratuity, or offer of employment to be made by or on behalf of a subcontractor under a contract to the prime contractor or higher tier subcontractor or any person associated therewith, as an inducement of the award of a subcontract or order.

4. Affidavit re Ethical Standards (Form C-8). The Proposer must represent that it has not knowingly influenced, and promises that it will not knowingly influence, a government employee to breach any of the ethical standards set out in Guam's procurement code or regulations pertaining to ethics in public contracting.

5. Declaration re Compliance with U.S. DOL Wage Determination (Form C-9). The Proposer must represent that it pays its employees, and provides health and similar benefits, in accordance with the most recent Wage Determination for Guam and the Northern Mariana Islands issued and promulgated by the U.S. Department of Labor for such labor as is employed in the direct delivery of contract deliverables to the Government of Guam.

5.0 EVALUATION OF PROPOSALS

5.1 General

The Receiver will form an evaluation committee comprised of certain employees of the Receiver and the Government of Guam. Each member of the evaluation committee will independently score the proposals. Each proposal will be evaluated using an objective analysis of the information presented, based upon the following criteria. The combined score of all evaluators will be used to determine the ranking of each proposal. Award of Agreement will be made in the best interest of the Solid Waste Management Division and shall, therefore, be considered final.

The following constitute the evaluation criteria and the percentage scoring value of each:

- Cost (35%);
- Proposer's experience and landfill operational history (20%);
- Proposer's financial strength (15%);
- Proposer's operational and management plan (10%);
- Proposer's exceptions to the draft Agreement and the RFP (10%);
- Proposer's staffing and employment (5%); and
- Overall responsiveness to the requirements set forth in this RFP (5%).

5.1.1 Proposer's Proposed Cost and Pricing

Proposer's proposed costs and fees, cost and fee components, and adjustment of fees will be evaluated and compared for competitiveness and reasonableness. Completed Form B-1 will be evaluated on a net present value basis over the Initial Term of the Agreement, applying the Proposer's proposed percentages on Form B-2 and the historical average annual change in the published index values for the last five (5) calendar years.

5.1.2 Corporate Reputation, Landfill Operational History, and Financial Strength

Proposer should demonstrate experience providing landfill operations and management services including administrative and financial capability to provide and manage all of the tasks involved in the scope of services. Key personnel should have experience providing these same services. Proposer's references should reflect a high level of satisfaction with how the Proposer has provided landfill operations and management similar to those to be performed under the Agreement. Proposer's litigation history and environmental track record will be considered.

Proposer's reference information, as outlined in Section 2.5, will be evaluated, including all information for each reference.

Proposer shall provide evidence that it has the financial resources and stability to carry out the proposed Operating Agreement over the Term of Agreement, including any renewal periods. Proposer's financial qualifications data as requested in Section 2.6 will be evaluated. Key financial data, including, but not limited to, assets and liabilities, debt-to-equity ratio, tangible net worth, profitability, liquidity, and contingent liabilities will be considered. Proposer must demonstrate the ability to obtain and maintain financial security and insurance as described in Sections 3.2.3 and 3.2.4, respectively, and Guaranty Acknowledgment of Guaranty requirements as noted in an executed Proposal Form C-3.

Proposer's compliance with the terms and conditions set forth in this RFP will also be evaluated.

5.1.3 Proposer's Operational and Management Plan

Proposer's approach to providing the required services should reflect industry best practices. Proposal should reflect the ability to schedule and to meet deadlines and address contingencies (e.g., equipment procurement schedules and personnel available). Proposer should demonstrate the ability and resources to manage the implementation of landfill operations (including the adequacy of contingency plans), and shall describe how Proposer will carry out the implementation of landfill operations. Proposer should show the ability to implement and effectively manage the proposed services over the Term of the Agreement and any renewal periods. The key personnel, facilities, and equipment to be used by the

Proposer and Proposer's quality control, complaint resolution, worker training and other programs will be considered.

5.1.4 Proposer's Exceptions

Proposer's exceptions to the RFP and the draft Agreement will be reviewed. The Receiver shall reserve the right to determine if the exceptions taken by Proposer are reasonable, and the number and nature of the exceptions will be compared to those noted by other Proposers during the proposal evaluation process and will be considered in the ranking of proposals.

5.1.5 Staffing and Employment

Proposer's approach should reflect industry best practices with regard to employment levels, staff training, education, and experience of management personnel.

5.1.6 Overall Responsiveness to Requirements in this RFP

The Proposer's overall responsiveness in providing all information set forth in the RFP as required in proposals and, in general, conforming to the conditions and requirements of the RFP will be considered.

5.2 Best and Final Offers (BAFO)

Proposers may be invited to prepare a Best and Final Offer for consideration by the Evaluation Committee. The Receiver reserves the right at its sole discretion to determine if pursuing BAFO(s) is in the best interest of the Solid Waste Management Division.

5.3 Negotiation of Agreement

The Receiver reserves the right at its sole discretion to determine if pursuing negotiation of an Agreement is in the best interest of the Solid Waste Management Division and to designate employees and/or consultants as its representatives in negotiations. However, the Receiver is under no obligation to pursue negotiation of the Agreement.

APPENDIX A

FORM OF AGREEMENT

(To Be Issued as a Separate Addendum)

APPENDIX B

COST PROPOSAL FORMS

FORM B-1

ITEMIZED ANNUAL OPERATING COSTS OF THE
LAYON LANDFILL ⁽¹⁾ (2010 US\$)

THIS FORM SHALL BE EXECUTED BY AN OFFICIAL AUTHORIZED TO BIND THE OFFEROR,
DETACHED, AND MADE A PART OF ITS PROPOSAL.

I. **Mobile Equipment (Own & Operate)** ⁽²⁾

Please specify the number of units provided:

	<u>No. of Units</u>
A. Landfill Compactors	_____
B. Dozers	_____
C. Front-end Loader(s)	_____
D. Road Sweepers	_____
E. Dump Trucks	_____
F. Excavators	_____
G. Service Trucks	_____
H. Water Trucks	_____
I. Pick-up Trucks	_____
J. Other (list) _____	_____

Total Equipment Capital Costs (A-J above, as applicable) \$ _____

Annual Capital Cost Charge for Item I above \$ _____

Annual Non-Labor Mobile Equipment Operations & Maintenance
(includes fuel, oil, maintenance, replacement parts, etc.) \$ _____

Annual Mobile Equipment O&O Costs Proposed SUBTOTAL \$ _____

II. **Management & Operating Personnel** ⁽²⁾

(excluding scalehouse personnel provided by SWMD)

Please indicate the number of positions:

<u>Job Title</u>	<u>No. of Personnel</u>
A. _____	_____
B. _____	_____
C. _____	_____
D. _____	_____
E. _____	_____
F. _____	_____

Direct Operating Personnel Costs (A-F above) \$ _____

Indirect Costs, Fringe Benefits and Overtime Allowance, etc. \$ _____

Annual Mgt. & Operating Personnel Costs Proposed SUBTOTAL \$ _____

**FORM B-1
(Continued)**

**ITEMIZED ANNUAL OPERATING COSTS OF THE
LAYON LANDFILL ⁽¹⁾ (2010 US\$)**

III.	Utilities (Direct pay by SWMD) (Including electricity, water, sewer, leachate, etc.)	SUBTOTAL	\$ <u>(Not Applicable)</u> ⁽³⁾
IV.	Insurance and Letter of Credit Property, Liability, and Other Insurance and Letter of Credit (Minimum, as required by Service Contract)		
	Annual Insurance and Letter of Credit Costs Proposed	SUBTOTAL	\$ _____
V.	Maintenance and Supplies Building and equipment maintenance and facility supplies (excluding mobile equipment and supplies included in item I above).		
	Annual Maintenance and Supplies Costs Proposed	SUBTOTAL	\$ _____
VI.	Professional Services (Engineering, Surveying, Other)		
	Annual Professional Services Proposed	SUBTOTAL	\$ _____
VII.	Administration and General Overhead (including Management Fee, if any)		
	Annual Administration Costs Proposed	SUBTOTAL	\$ _____
VIII.	Other , if required (must specify): _____		
	Annual Other Costs Proposed	SUB TOTAL	\$ _____
ANNUAL OPERATING COST (I through VIII)		<u>GRAND TOTAL</u>	\$ _____

_____ Authorized Signature	_____ Title	_____ Date
-------------------------------	----------------	---------------

⁽¹⁾ The itemized annual operating costs shall be based on 80,000 Tons per year of Acceptable Waste being delivered to the Layon Landfill. This will constitute the Proposal of the Base Operating Fee of the Operator.

⁽²⁾ Proposer should see Section IV.A.16. of the Municipal Solid Waste Landfill Facility Permit No. 09-015MSWLF issued by GEPA which sets forth certain equipment and personnel requirements.

⁽³⁾ Cost of utilities at the Layon Landfill, including electricity, water, leachate treatment/disposal, sewer costs, and the cost of Excluded Waste removal will be paid directly by the Government of Guam, Solid Waste Management Division, to the purveyors and will not be part of the Operator's Service Fee.

Proposal Form B-2

Operating Fee Proposal

State the per-Ton fee proposed for the entire Operating Year to operate and maintain the Layon Landfill.

	Annual Total Tonnage Delivery Range			
	<i>Up to 80,000 TPY</i>	<i>Increment of 80,001 TPY to 90,000 TPY</i>	<i>Increment of 90,001 TPY to 100,000 TPY</i>	<i>Increment over 100,000 TPY</i>
A. Operating Fee	<i>Base</i> \$_____/Ton	<i>Variable</i> \$_____/Ton	<i>Variable</i> \$_____/Ton	<i>Variable</i> \$_____/Ton
B. Annual Adjustment Percentages of Operating Fee				
1. Percent fixed and not subject to adjustment	_____%	_____%	_____%	_____%
2. Percent variable and subject to adjustment by the Employment Cost Index	_____%	_____%	_____%	_____%
3. Percent variable and subject to adjustment by the Producer Price Index for Construction Machinery and Equipment	_____%	_____%	_____%	_____%
4. Percent variable and subject to adjustment by the Producer Price Index for Diesel Fuel	_____%	_____%	_____%	_____%
TOTAL	100%	100%	100%	100%

Authorized Signature

Title

Date

APPENDIX C

OTHER PROPOSAL FORMS

**PROPOSAL FORM C-1
PROPOSER INFORMATION FORM**

TO:

The undersigned, as Proposer, by his/her signature represents that he/she is authorized to bind the Proposer for the amount(s) shown on the accompanying cost and compensation forms and hereby certifies full compliance with the terms and conditions, specifications and special provisions of the Request for Proposals Number SWD001-10 and hereby declares that this Proposal is made in good faith without fraud or collusion with any person or persons proposing on the same Agreement; that Proposer has carefully read and examined the entire document including all Appendices and understands all the same and that the Proposer or representative has made such personal investigation at the Layon Landfill and its facilities operations, and conditions, as is necessary to determine the character and requirements attending the execution of the proposed services for operation of the Layon Landfill and related assets as described in RFP Number SWD001-10. The Proposer warrants that no person in its employment who has been convicted of a sex offense under the provisions of Chapter 25 of Title 9 of the Guam Code Annotated, or convicted of an offense defined in Article 2 of Chapter 28 of Title 9 of the Guam Code Annotated regardless of the jurisdiction in which the conviction was obtained, shall provide services on behalf of the Proposer relative to this procurement. If a Proposer is awarded a contract, and any person employed by the Proposer providing services under the resulting contract is subsequently convicted, then the Proposer warrants that it will notify the Government of the conviction within twenty-four hours of the conviction, and will immediately remove such convicted person from providing services under the resulting contract. If the Proposer is found to be in violation of any of the provisions of this paragraph, then the Government shall give notice to the Proposer to take corrective action. The Proposer shall take corrective action within twenty-four hours of notice from the Government, and the Proposer shall notify the Government when action has been taken. If the Proposer fails to take corrective steps within twenty-four hours of notice from the Government, then the Government in its sole discretion may suspend temporarily any resulting contract.

The Proposer acknowledges that Proposer has not received or relied upon any representations or warranties of any nature whatsoever from the Receiver, the Solid Waste Management Division, the Government of Guam, its agents or employees, as to any conditions to be encountered in accomplishing the work specified in RFP SWD001-10 and that this Proposal is based solely upon the Proposer's own independent business judgment.

The Proposer recognizes that Proposer will not be entitled to any additional compensation by reason of conditions being different from those anticipated, or by reason of failing to be fully acquainted with the Layon Landfill site, facilities, design, permits, construction, plans and specifications, and the conditions and the work now in place or on account of interference by the Receiver's activities or by any other activities which affect the proposed Work.

The undersigned hereby proposes and agrees that if this Proposal is accepted for award of an Agreement, Proposer will contract with the Receiver to furnish all necessary labor, materials, equipment, machinery, tools, apparatus, supplies and other means for

PROPOSAL FORM C-1
PROPOSER INFORMATION FORM
(Continued)

performing, and do all the work required to perform, the services herein specified in complete conformity with RFP Number SWD001-10 and the Agreement to Operate the Layon Landfill for the unit prices and for the calendar periods listed in this Proposal.

The undersigned also agrees that if the foregoing Proposal shall be selected by the Receiver, Proposer will meet with the Receiver within such time as the Receiver shall designate, to negotiate the final points of the Agreement to Operate the Layon Landfill, and within thirty (30) Days (Sundays and legal holidays excepted) after receiving notice of such selection, use best efforts to complete negotiation on outstanding issues, if any, so as to enter into the form of Agreement attached to RFP SWD001-10, for performing the services proposed herein, at the prices and for the time stated in this Proposal and that Proposer will furnish the Receiver satisfactory financial security and certificates of insurance for coverage as stated in RFP SWD001-10.

The undersigned agrees, and attaches hereto, Proposal Security in the amount of \$150,000 (Certified Check, Irrevocable, Direct Pay Letter of Credit, or Proposal Bond), to be forfeited to the Solid Waste Management Division in case of failure on the part of the successful Proposer to enter into the attached form of Agreement to do the work covered by such proposal at the pricing and within the time as stated after having been selected for negotiations, and/or in the case of failure to negotiate in good faith with the Receiver after being selected for negotiations. The undersigned agrees that in case of failure to fulfill the obligations under the foregoing Proposal and/or failure to furnish financial security as specified, the Receiver may, at Receiver's option, determine that the undersigned has abandoned the rights and interests in such Agreement and that the Proposal Security has been forfeited to the Solid Waste Management Division, but otherwise, the Proposal Security shall be returned to the undersigned upon the execution of the Agreement and the acceptance of the financial security.

The undersigned agrees that if awarded the Agreement, Proposer will start work May 30, 2011, or on such other date as the Receiver and Proposer shall agree.

In submitting this Proposal, it is understood that the right is reserved by the Receiver to reject any or all Proposals, to award the Agreement for the work proposed by the Proposer to other than the low-price Proposer, to waive irregularities and/or formalities, and in general, to make award in any manner deemed by it, in its sole discretion, to be in the best interest of the Solid Waste Management Division.

The undersigned acknowledges receipt of addenda to RFP SWD001-10 and has indicated the date such addenda were received below.

RFP Addenda Acknowledgement:

No. 1 Date Received _____
No. 2 Date Received _____
No. 3 Date Received _____
No. 4 Date Received _____
No. 5 Date Received _____

PROPOSAL FORM C-1
PROPOSER INFORMATION FORM
(Continued)

A. General Information

Proposer Name: _____

Address: _____

Telephone: _____ Fax: _____

Contact: _____

Federal ID Number (TIN): _____

Type of organization (corporation, joint venture, partnership, individual): _____

If a corporation, list the names of all officers, directors, and shareholders possessing five percent or more of outstanding stock in the corporation. If a partnership, list the names of all general and limited partners. Attach additional sheets as necessary.

B. Business Information

1. Describe the nature of your current business:

2. State the length of time you have been in that business under your present name:

3. With what other lines of business are you directly or indirectly affiliated?

PROPOSAL FORM C-1
PROPOSER INFORMATION FORM
(Continued)

4. Have you ever failed to complete any contract awarded to you?

If so, where and why?

5. Has any officer or partner of your organization ever been an officer or partner of some other organization that failed to complete a contract?

If so, state name of individual, other organization, reason therefore, and bonding company:

6. Has any officer or partner of your organization ever failed to complete a contract handled in his or her own name?

If so, state name of individual, name of owner, reason therefore, and bonding company:

PROPOSAL FORM C-1
PROPOSER INFORMATION FORM
(Continued)

7. With what individuals or entities have you been associated as partner or otherwise during the last seven (7) years? Attach additional sheets as necessary.

8. Has any Disposal Facility that you operated been the subject of administrative or judicial action for alleged violation of environmental or public health laws or regulations? If so, state the details and disposition. Attach additional sheets as necessary.

9. Have you, your partners, members, joint venturers, parent corporation, or subsidiaries been a party to any lawsuits, including any current investigations, indictments, or pending litigation, within the last seven (7) years? If so, list these lawsuits. Attach additional sheets as necessary.

10. List any and all actions occurring within the last seven (7) years which have resulted in revocation or suspension of any permit or authority to do business in any federal, state or local jurisdiction, recorded by Proposer, any officer or director thereof or any affiliate or related company.

PROPOSAL FORM C-1
PROPOSER INFORMATION FORM
(Continued)

11. List any and all actions occurring in the last seven (7) years that have resulted in the barring from public bidding recorded by Proposer, any officer or director thereof or any affiliate or related company.

12. List any bankruptcy proceedings in the last seven (7) years recorded by Proposer, any affiliate or related company.

C. Place of Direction and Main Office

Following are the name and location of the main office of the Proposer and the place of business from which the services in the Agreement will be directed.

Main Office: Name of Company

City and State

Place of Business for Direction of Services under the Agreement:
Name of Company

City and State

PROPOSAL FORM C-1
PROPOSER INFORMATION FORM
(Continued)

D. Ambiguity

In case of ambiguity or lack of clarity in stating prices in the proposal, the Receiver shall have the right to construe such prices in a manner most advantageous to the Solid Waste Management Division or to reject the Proposal.

Company's Authorized Agent:

Signature

Name and Title (Typed or Printed)

Date

Telephone No.

Fax No.

Email address

PROPOSAL FORM C-2
CERTIFICATION OF NONDISCRIMINATION IN EMPLOYMENT
THIS FORM SHALL BE EXECUTED BY AN OFFICIAL
AUTHORIZED TO BIND THE OFFEROR, DETACHED,
AND MADE A PART OF ITS PROPOSAL

During the performance of the Agreement, the Proposer, as Operator, agrees as follows:

1. The Operator shall not discriminate against any employee or applicant for employment because of race, religion, color, sex, sexual orientation, disability, or national origin. The Operator agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.
2. The Operator, in all solicitations or advertisements for employees placed by or on behalf of the Agreement, shall state that such Operator is an equal opportunity employer.
3. Notices, advertisements, and solicitations placed in accordance with federal law, rule or regulations shall be deemed sufficient for the purpose of meeting the requirements of this section.
4. The Operator shall include the provisions of the foregoing Paragraphs 1, 2, and 3 above in every subcontract or purchase order so that the provisions shall be binding upon each subcontractor or vendor.

Authorized Signature

Title:

Date:

PROPOSAL FORM C-3
GUARANTOR ACKNOWLEDGMENT
(to be typed on Guarantor's Letterhead)

_____ (the "Proposer") has submitted herewith a Proposal in response to the Receiver's Request for Proposals Number SWD001-10 ("RFP"). If selected to enter into negotiations of the Agreement with the Receiver and awarded the resulting Agreement, the Proposer will agree to provide Services required by the Agreement, including compliance with all applicable permits, licenses, approvals and other Applicable Laws, and performing all other related and ancillary services described in the RFP that apply to Proposer and Proposer's services.

The Guarantor has reviewed the Proposer's proposal which, along with the RFP, will form the basis of the Agreement. The Guarantor hereby certifies that it will unconditionally guarantee the performance of all of the obligations of the Proposer set forth in the Proposal in the event the Proposer is selected for final negotiations and execution of the Agreement, and that it will execute a separate Guaranty Agreement in the form presented with the Agreement in Appendix A to the RFP.

The Guarantor further acknowledges that there will be no stated maximum dollar limitation or cap on the liability of the Guarantor under the Guaranty to pay any damages or other amounts that may be due the Solid Waste Management Division on account of any non-performance by the Proposer as Operator under the Agreement.

Name of Guarantor

Name of Authorized Signatory

Signature

Title

Date

Proposal Form C-4
Proposed Convenience Termination Payments

Proposer proposes the following schedule of payments if the Agreement is terminated for convenience during the Initial Term. Payments are based on termination at end of month. If termination occurs prior to the end of any month, the payment will be prorated.

Termination for Convenience During the Initial Term

Month of Termination	Total Termination Payment to the Operator	Termination Payment if SWMD or its Successor Assumes Equipment Responsibilities
Month 1		
2		
3		
4		
5		
6		
7		
8		
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Proposal Form C-4
Proposed Convenience Termination Payments (Continued)

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Date

Authorized Signature

FORM C-5
AFFIDAVIT DISCLOSING OWNERSHIP and COMMISSIONS

CITY OF _____)
) ss.
STATE OF _____)

A. I, the undersigned, being first duly sworn, depose and say that I am an authorized representative of the Proposer and that *[please check only one]*:

- ☐ The Proposer is an individual or sole proprietor and owns the entire (100%) interest in the proposing business.
- ☐ The Proposer is a corporation, partnership, joint venture, or association known as _____ *[please state name of Proposer company]*, and the persons, companies, partners, or joint venturers who have held more than 10% of the shares or interest in the proposing business during the 365 days immediately preceding the submission date of the proposal are as follows *[if none, please so state]*:

<u>Name</u>	<u>Address</u>	<u>% of Interest</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

B. Further, I say that the persons who have received or are entitled to receive a commission, gratuity or other compensation for procuring or assisting in obtaining business related to the bid or proposal for which this affidavit is submitted are as follows *[if none, please so state]*:

<u>Name</u>	<u>Address</u>	<u>Compensation</u>
_____	_____	_____

C. If the ownership of the proposing business should change between the time this affidavit is made and the time an award is made or a contract is entered into, then I promise personally to update the disclosure required by 5 GCA §5233 by delivering another affidavit to the government.

Signature of one of the following:
Proposer, if the Proposer is an individual;
Partner, if the Proposer is a partnership;
Officer, if the Proposer is a corporation.
Subscribed and sworn to before me

this ____ day of _____, 2010.

NOTARY PUBLIC
My commission expires: _____

CITY OF _____)
) ss.
STATE OF _____)

The name of the proposing company or individual is [*state name of company*]
_____.

That I make this statement on behalf of myself as a representative of the Proposer, and on behalf of the Proposer's officers, representatives, agents, subcontractors, and employees.

Subscribed and sworn to before me
this _____ day of _____, 2010.

C-13

FORM C-7
AFFIDAVIT re NO GRATUITIES or KICKBACKS

CITY OF _____)
) ss.
STATE OF _____)

_____[*state name of affiant signing below*], being first duly sworn, deposes and says that:

The name of the proposing firm or individual is [*state name of Proposer company*]
_____.

Affiant is _____ [*state one of the following: the Proposer, a partner of the Proposer, an officer of the Proposer*] making the foregoing identified bid or proposal. To the best of affiant's knowledge, neither affiant, nor any of the Proposer's officers, representatives, agents, subcontractors, or employees has or have offered, given or agreed to give, any Government of Guam employee or former Government employee, any payment, gift, kickback, gratuity or offer of employment in connection with the Proposer's proposal.

Signature of one of the following:

Proposer, if the Proposer is an individual;
Partner, if the Proposer is a partnership;
Officer, if the Proposer is a corporation.

Subscribed and sworn to before me

this _____ day of _____, 2010.

NOTARY PUBLIC

My commission expires _____, _____.

CITY OF _____)
) ss.
STATE OF _____)

C-15

FORM C-9
DECLARATION RE COMPLIANCE WITH U.S. DOL WAGE DETERMINATION

Procurement No.: SWD001-10

Name of Proposer Company: _____

I, _____ hereby **certify**
under penalty of perjury:

(1) That I am _____ [*please select one: the Proposer, a partner of the Proposer, an officer of the Proposer*] making the bid or proposal in the foregoing identified procurement;

(2) That I have read and understand the provisions of 5 GCA § 5801 and § 5802 which read:

§ 5801. Wage Determination Established.

In such cases where the Government of Guam enters into contractual arrangements with a sole proprietorship, a partnership or a corporation ("contractor") for the provision of a service to the Government of Guam, and in such cases where the contractor employs a person(s) whose purpose, in whole or in part, is the direct delivery of service contracted by the Government of Guam, then the contractor shall pay such employee(s) in accordance with the Wage Determination for Guam and the Northern Mariana Islands issued and promulgated by the U.S. Department of Labor for such labor as is employed in the direct delivery of contract deliverables to the Government of Guam.

The Wage Determination most recently issued by the U.S. Department of Labor at the time a contract is awarded to a contractor by the Government of Guam shall be used to determine wages, which shall be paid to employees pursuant to this Article. Should any contract contain a renewal clause, then at the time of renewal adjustments, there shall be made stipulations contained in that contract for applying the Wage Determination, as required by this Article, so that the Wage Determination promulgated by the U.S. Department of Labor on a date most recent to the renewal date shall apply.

§ 5802. Benefits.

In addition to the Wage Determination detailed in this Article, any contract to which this Article applies shall also contain provisions mandating health and similar benefits for employees covered by this Article, such benefits having a minimum value as detailed in the Wage Determination issued and promulgated by the U.S. Department of Labor, and shall contain provisions guaranteeing a minimum of ten (10) paid holidays per annum per employee.

(3) That the Proposer is in full compliance with 5 GCA § 5801 and § 5802, as may be applicable to the procurement referenced herein;

(4) That I have attached the most recent wage determination applicable to Guam issued by the U.S. Department of Labor. [*INSTRUCTIONS - Please attach!*]

Signature

APPENDIX D

DATA AND DOCUMENTS REGARDING THE LAYON LANDFILL

APPENDIX D
DATA AND DOCUMENTS REGARDING THE
LAYON LANDFILL

The following data and documents are included on separate CD ROM available with the RFP.

1. Guam Environmental Protection Agency Municipal Solid Waste Landfill Facility Permit No. 09-015 MSWLF, Version: November 22, 2009.

This permit includes the written permit and all supporting documents identified below.

- a. Permit Cover Letter dated November 23, 2009 by Guam Environmental Protection Agency
- b. Book 1
Technical Specifications Divisions 1 - 16, dated December 12, 2008, amended May 22, 2009, amended July 10 and 23, 2009, amended August 5, 2009.
- c. Book 2
 - i. Design Narrative, dated December 12, 2008, amended May 22, 2009, amended July 10 and 23, 2009, amended August 5, 2009.
 - ii. Appendix A Drawings – Master Plan
 - iii. Appendix B Surface Water Drainage System Calculations
 - iv. Appendix C Landfill Gas Master Plan
 - v. Appendix D Entrance Area Civil Engineering Calculations
 - vi. Appendix E-1 Structural Calculations
 - vii. Appendix E-2 Mechanical Calculations
 - viii. Appendix E-3 Electrical Calculations
 - ix. Appendix F Earthwork and Air Space Calculations
 - x. Appendix G Leachate Collection and Removal System Design
 - xi. Appendix H Subdrain Design
- d. Book 3A
 - i. Geotechnical Report (February 2006) amended December 12, 2008, amended May 22, 2009, amended July 23, 2009
 - ii. Supplemental Geotechnical Laboratory Test Results (March 2008)
 - iii. Site Specific Groundwater Monitoring Plan (Revision 0.2, March 2010)
- e. Book 3B
 - i. Stability Analysis Review, Shake Acceleration and Output Files, 06g,
 - ii. Shake Output and Acceleration Files, 07g amended May 22, 2009, amended August 27, 2009, to include the Pond 2 Slope Stability Analysis.
- f. Book 4
 - i. Operations Plan (May 22, 2009) amended July 10, 2009
 - ii. Closure and Post-Closure Plan (May 22, 2009)

APPENDIX D
DATA AND DOCUMENTS REGARDING THE
LAYON LANDFILL
(Continued)

g. Book 5

- i. Memorandum: introduction to Layon Solid Waste Facility Permit Application May 22, 2009
- ii. Cover Letter to the Layon Solid Waste Facility Permit Application, December 24, 2008
- iii. GEPA Solid Waste Management Facility Permit Application (Modification) December 12, 2008
- iv. GEPA Permit Application Checklist
- v. Response to GEPA and EPA March 2009 comments, May 22, 2009
- vi. Summary of Review Comments 2006 to Present, May 22, 2009

h. Permitted Plan Set Issued for Construction

Additional supporting documents incorporated by reference:

- i. FSSR/FEIS - Final Site Selection Report, Environmental Impact Statement for the Setting of a Municipal Solid Waste Landfill Facility, Guam, dated March 14, 2005.
 - j. FSEIS - Final Supplemental Environmental Impact Statement for the Siting of a Municipal Solid Waste Landfill Facility, Guam, dated July 15, 2005.
 - k. FINAL HYDROGEOLOGIC REPORT - Final Integrated Hydrogeologic Assessment, Volumes I and II, dated November 26, 2008.
 - l. CERTIFICATION OF ZONING COMPLIANCE
Dated January 16, 2009, Guam Land Use Commission.
2. Guam Environmental Protection Agency Title V Air Permit to Operate, Permit No. FO-020, Issue Date November 23, 2009, Expiration Date November 24, 2014.

APPENDIX E

WASTE SCREENING PROTOCOL

APPENDIX E

SOLID WASTE SCREENING PROTOCOL

1. INTRODUCTION

The Operator shall follow the Solid Waste Screening Protocol (Protocol) described below as part of routine landfill operations at the Layon Municipal Solid Waste Landfill (the Landfill), and use it as a supplement to the requirements in the Solid Waste Facility Permit for the Landfill. This Protocol is primarily intended to reduce the possibility of having Excluded Waste (including both Non-Hazardous Excluded Waste and Hazardous Waste) delivered and disposed at the Landfill. It is also intended to minimize the amount of disposal capacity occupied by Recyclables, which could otherwise be diverted to Recycling markets or beneficial use.

This Protocol is for waste when it is delivered to the Landfill. Most of the waste delivered to the Landfill will not require pre-approval. Occasionally, certain generators may contact the Operator and request approval to dispose of Special Waste, which is waste that needs be pre-screened and approved prior to delivery to the Landfill. Generators proposing to dispose of Special Waste will be required to submit a Generator's Waste Profile Sheet to the Operator and the Receiver to request approval for disposal. Special Waste shipments must be accompanied by a Non-Hazardous Waste Manifest Form. Additional procedures for approval and acceptance of Special Waste are described in the Solid Waste Facility Permit for the Landfill.

2. Waste Screening Prior to Delivery

Waste screening will be done prior to delivery to the Landfill by working with generators, Haulers and Transfer Station operators to educate them on the legal requirements and benefits of separating different types of waste and keeping Recyclables out of the waste stream.

2.1 Waste Generators

(a) Education. The Operator shall prepare educational materials (such as informational flyers and booklets), and distribute them to generators such as governmental, commercial, industrial, institutional and military establishments and residents of Guam. Such informational materials shall describe the source separation and disposal requirements that the Government of Guam may determine and have implemented. The Operator shall work with generators to require them to accurately characterize their waste, and identify potential sources of Excluded Waste and Recyclables they may produce. The Operator shall also work with the Receiver to educate generators regarding the disposal requirements and limitations at the Landfill, and the proper disposal of such Excluded Waste at facilities other than the Landfill, so as to prevent such Excluded Waste from being delivered to the Landfill.

(b) Enforcement. The Operator shall cooperate with the Government of Guam and the Receiver to provide information on generator compliance with applicable rules and regulations.

2.2 Haulers

(a) Education. Since a portion of the waste brought to the Landfill will be delivered directly after collection, it is important for Haulers to be able to identify potentially Excluded

Waste and Recyclables. The Operator and Receiver shall work together to educate the permitted Haulers as to which wastes constitute Acceptable Waste, Excluded Waste and Recyclables.

Prior to startup and periodically during Landfill operations, the Operator will conduct an educational program on Landfill policies and procedures for representatives of all permitted Haulers (including drivers), which shall include a review of the rules and regulations and sanctions for violations thereof. Such program shall be videotaped by the Operator and used throughout the Term of the Agreement. The Operator shall cooperate with the Receiver and Government of Guam in developing this educational program.

The Operator shall post clearly visible signs at the entrance to the Landfill which shall provide an illustrative list of items that constitute Acceptable Waste, Non-hazardous Excluded Waste and Hazardous Waste. The information on the signs shall state the penalties associated with attempts to deliver such wastes to the Landfill. In addition, the Operator agrees to work with the Government of Guam to condition the issuance of permits to Haulers on their acceptance of the Landfill's rules and regulations relating to the delivery of Acceptable and Excluded Waste. In addition, the Operator agrees to only accept waste from Haulers permitted by the Government of Guam.

(b) Enforcement. The Operator shall cooperate with the Government of Guam and the Receiver to provide information on Hauler compliance with applicable rules and regulations.

2.3 Screening at the Transfer Stations

(a) Education of Transfer Station Personnel. Since a majority of the waste loads delivered to the Landfill will be coming from Transfer Stations, it is important that Excluded Waste and Recyclables be removed from the waste before being sent to the Landfill. The Operator shall assist when requested by the Receiver with the training of personnel who are involved with the flow of waste through the Transfer Station(s). The purpose of this training will be to teach Transfer Station personnel how to identify Acceptable Waste, Excluded Waste (whether non-hazardous waste or Hazardous Waste), and Recyclables, and the steps to be taken by such personnel upon identification thereof.

(b) Load Checking. It is expected that waste screening protocols, similar to those used at the Landfill, will be implemented at the Transfer Stations.

(c) Enforcement. The Operator shall cooperate with the Government of Guam and the Receiver to provide information on Transfer Station compliance with applicable rules and regulations.

3. Waste Screening at the Landfill

Waste screening shall begin when waste-hauling Vehicles enter the Landfill property and will be completed when waste is accepted and incorporated into the waste mass. Waste screening will primarily be done using visual inspection. There are three general locations where waste inspection will occur. These are (1) the entrance area of the Landfill, (2) the random load inspection area, and (3) the Working Face of the Landfill. The Operator may also designate any load for inspection, if there is reason to suspect the waste may be unacceptable, at any time when the waste-hauling Vehicle is traveling between the entrance area and the Working Face.

The Operator shall train all of its personnel to identify Acceptable Waste, Excluded Waste, and Recyclables. This training will include teaching personnel the procedures to be followed for worker safety and personal protection, and when waste is identified as, or suspected to be, unacceptable. Operations personnel will receive training when they are hired, and training will continue by attending mandatory training sessions held by the

Landfill Manager. Attendance at these training sessions will be documented and the records of this training shall be kept on file at the Landfill in the Operational Record.

3.1 Entrance Area Screening

The first point of screening for Excluded Waste will be when Vehicles enter the Landfill. Screening will be done in the entrance area by scanning each load for radiation and visually inspecting the contents of the loads. The entrance area will be equipped with radiation monitors to detect and prevent radioactive waste from being disposed. Waste-hauling Vehicles will pass by a radiation detector and then proceed to the scales. The radiation detection device will be installed during the initial construction phase for the entrance area and Cells 1 and 2 of the Landfill. It is the responsibility of the Operator to ensure that this device has been installed and is operating properly prior to the start of operations. This device shall be maintained and serviced by the Operator throughout the Term of the Agreement. The Operator shall take measures to ensure the radiation detector is working properly at all times.

If the alarm on the radiation detector is triggered, the Operator shall respond by directing the driver of the Vehicle to proceed to pre-designated inspection area for further screening. The Landfill Manager will immediately contact the Guam Environmental Protection Agency (GEPA) and the Receiver. He will then proceed to investigate the source and generator of the waste. The Operator shall document the information on the Hauler and generator and provide this information to GEPA. The Operator's most likely course of action will be to instruct the driver to remove the load from the Landfill site.

If the alarm on the radiation detector is not triggered, the Vehicle will be allowed to proceed to the scale. The scales will be operated by Government of Guam personnel. Scale house personnel will ask the driver of the Vehicle to describe the source and contents of the waste. If this information is not consistent with the waste being acceptable, scale house personnel will contact the Landfill Manager to investigate the situation further.

While in the entrance area, the Operator will have the opportunity to visually inspect the contents of the Vehicle. The Operator is encouraged to set up a platform or scaffold in the entrance area that would allow an observer to see the contents of the waste container before the Vehicle is allowed to proceed to the Working Face of the Landfill. The Operator shall have available and use a Photo Ion Detection (PID) device to assist in screening for potential Hazardous Waste or other Excluded Waste at this stage of the waste screening process. If a scaffold or platform is established, operations personnel making the inspection can hold the PID above or near the surface of the waste and scan for the presence of potentially Excluded Waste. If potentially hazardous or other Excluded Waste is observed during the visual inspection, Landfill personnel will have the option to either reject the load of waste or contact the Landfill Manager for further instructions. The Landfill Manager has the authority to reject the load, require the load to be discharged at the random-load inspection area or send the load to the Working Face for further inspection. If the load is suspected or known to contain Hazardous Waste, the Operator shall contact GEPA and the Receiver immediately.

If waste loads are observed to contain a large quantity or percentage of Recyclables, operations personnel shall inform the Landfill Manager. The Operator shall make an attempt to contact the generator and Hauler and suggest how more Recyclables can be removed before sending their waste to the Landfill.

3.2 Inspection of Random Loads

At least once per day, a load of waste will be selected for inspection on a random basis by the Landfill Manager or his designated representative. The Operator shall designate a

location on the Landfill area where loads of waste can be discharged for inspection by landfill operations personnel. This area shall be located on the lined- area and be at least 100 feet from the Working Face. The Landfill Manager shall designate qualified and trained personnel to be the inspector of random loads.

The drivers of Vehicles selected for inspection shall drive immediately to the designated random load inspection area. Upon arrival to this area, the inspector shall direct the driver to discharge the contents of his Vehicle, and the driver will be required to wait nearby in the Vehicle while the inspection is being done. After making an initial visual inspection of the waste, the inspector shall request an equipment operator to use a bulldozer or another suitable piece of mobile equipment to spread the material to thickness of two feet or less. The inspector may use a rake or other hand-held implement to facilitate taking a closer look at the waste material. If the load is determined to be acceptable, the equipment operator will be asked to push the waste to the Working Face with the bulldozer, and the driver of the waste-hauling Vehicle will be told he can leave the Landfill site.

If the waste is determined to be unacceptable, operations personnel will contact the Landfill Manager immediately. The Landfill Manager will contact the Receiver, generator and/or Hauler, and inform them that the waste has been rejected. The waste will be placed back into the Vehicle if it determined to non-hazardous Excluded Waste, and the driver of the Vehicle will be instructed to remove the Excluded Waste from the Landfill site. If the load is suspected or known to contain Hazardous Waste, the Operator shall contact GEPA and the Receiver immediately. The load will be left in place at the random load inspection area and a contractor shall be contacted immediately who is qualified to evaluate and process Hazardous Waste. The waste will be covered with a plastic tarp or other suitable impervious material until the contractor completes their evaluation.

During the inspection process, the inspector shall wear appropriate personal protective equipment at all times while performing the inspection. The inspector shall also have a PID device available for use during the inspection process. This device will be used to assist in screening for potential Hazardous Waste or other Excluded Waste. Upon completion of the inspection process, the inspector shall complete the Waste Screening Checklist as required in the Solid Waste Facility Permit. Copies of all Waste Screening Checklist forms shall be kept on file at the Landfill in the Operational Record.

3.3 Working Face Inspections

Waste delivered to the Working Face will be visually inspected by operations personnel such as the mobile equipment operators when it is discharged. Waste inspection will continue as it is spread and compacted. Operations personnel at the Working Face shall look for waste that appears to be Excluded Waste, and whether there are any unusual odors being emitted from the waste. They will also look for Recyclables such as tires or white goods, which need to be removed and collected for Recycling. If the load is determined to be acceptable, operations personnel shall proceed with spreading and compacting the waste using a bulldozer and the landfill compactor. If the waste is judged to be potentially unacceptable, equipment operators shall segregate this material and attempt to identify the Vehicle that brought the waste to the Landfill. The Landfill Manager will be contacted immediately and the procedures described in Section 4 below will be implemented.

When loads appear to contain large amounts of Recyclables, operations personnel will inform the Landfill Manager. The Operator shall attempt to contact generators, Haulers and Transfer Station personnel and encourage them to remove Recyclables to the maximum extent possible and/or in conformance with applicable Government of Guam recycling plans, programs, laws and regulations.

4. Loading Excluded Waste and Recyclables

During Landfill operations, it is anticipated that hazardous and non-hazardous Excluded Waste and Recyclables will be delivered to the Landfill and identified by site personnel. Excluded Waste will be isolated from other waste immediately after it has been identified. If the Excluded Waste is suspected to be hazardous, it will be isolated and left in place on the Working Face until further evaluation of the waste can be done. Activities on the Working Face will be moved at least 50 feet away from the Excluded Waste while assessments are being done and decisions are being made on how to handle the material. The Operator shall contact the GEPA and the Receiver immediately. Suspected or known Hazardous Waste will be left in place on the Working Face and a contractor shall be contacted immediately who is qualified to evaluate and process the Hazardous Waste. If it is necessary to leave the waste in place at the end of the work day, the waste will be covered with a plastic tarp or other suitable impervious material until the contractor completes their evaluation. If the Excluded Waste is non-hazardous, it shall be loaded into an appropriate storage container, and actions will be taken to remove it from the site as soon as possible.

When Excluded Waste is identified by operations personnel, the Landfill Manager will be contacted immediately. The Landfill Manager will further evaluate whether the waste is acceptable or not. If the waste is determined to be unacceptable, the Operator will attempt to identify the generator or Hauler of the Excluded Waste, and require the generator or Hauler to remove it from the site. The Operator has the authority to reject any suspected or potentially Excluded Waste. Depending on the location where the waste inspection is being performed, the Operator may either not allow the potentially Excluded Waste to be unloaded or put the waste back on the Vehicle used to bring it to the site after it has been placed on the Working Face of the Landfill.

In the event that the generator or Hauler cannot be identified, it is the responsibility of the Operator to remove the Excluded Waste to the temporary storage location the Operator has established at the Landfill. The Operator is responsible for contracting for the removal of the Excluded Waste to a facility permitted to accept the waste. These materials shall be loaded into on-site storage or other appropriate hauling containers and removed from the site within 15 days after delivery to the Landfill. The Operator shall have containers available at all times on the landfill site for Excluded Waste and Recyclables. The Operator shall temporarily store Excluded Waste and Recyclables while the material is being characterized to determine the appropriate method and location for off-site processing and disposal. The Operator shall contract with a company licensed to manage Hazardous Waste and other non-hazardous Excluded Waste to arrange for appropriate handling and disposal of these materials. The Operator shall also contract with a company or companies to remove Recyclables.

It is also anticipated that recoverable quantities of Recyclables will occasionally be delivered to the Landfill. If the Operator receives any dedicated loads of Recyclables, the Operator shall make an attempt to contact the Hauler and generator to have them avoid delivering these types of loads in the future. In addition, if the Operator observes consistently high or increasingly higher amounts of Recyclables in loads, the Operator shall notify the Receiver.

5. Removal of Excluded Waste and Recyclables

The Operator shall arrange to have containers of Excluded Waste and Recyclables removed from the Landfill by qualified contractors, and brought only to facilities permitted to process or dispose of them. All contractors retained by the Operator to remove, handle,

process and dispose of such materials shall be approved by the Receiver. Excluded Waste shall be removed from the site within 15 days after the day it was delivered to the Landfill.

The contractors retained by the Operator shall only use routes designated by the Receiver when transporting these materials from the Landfill. Any such approved routes shall not be changed without the prior approval of the Receiver and the Government of Guam.