



DEFENSE LOGISTICS AGENCY

AMERICA'S COMBAT LOGISTICS SUPPORT AGENCY



SCRAP & SALVAGE RECYCLING

January 2016



Agenda

- Summary Description of Solicitation
- Item Description
- Bid Process
- IFB
- RFTP
- Historical Data
- Scrap Yard Tour



Summary Description

- Scrap & Salvage Recycling Contract
- 3 Year base with two 1 year option periods
- Award to the bidder returning the highest percent of gross re-sale to the Government
- Buyer receives sorts/improves commodities and resells/recycles providing Disposition Services the Bid percentage return on gross resale.
- Guaranteed Delivery of 100M lbs of Material



Item Description

- Property location – CONUS, Alaska, Hawaii, Guam, Puerto Rico, and possibly the U.S. Virgin Islands
- Comprised of scrap and salvage inventory that DLA either received as a scrap commodity or was downgraded to scrap (unsaleable/not saleable/salvage)
- Inventory will be issued by Demil Code (A, B & Q)
- Other property may be issued with Demil or mutilation as a condition of the sale
- Options available to include hazardous materials or range residue*



Bid Process

- Two-Step Solicitation
- Step One – Request For Technical Proposal
 - Submission and Evaluation of Technical Proposals (TP) to determine acceptability
- Step Two – Invitation For Bid issued to firms that submitted an acceptable TP
- Contract awarded to buyer with the highest percent of Gross re-sale to the Government
 - Auction or Sealed bid



Financials

- Bid Deposit: \$100,000
- Payment Deposit: \$100,000 (within 10 days of Award)
- Financial Guarantee Bond: \$5,000,000 carried for the duration of the contract.
- Evidence of Insurance: Within 30 days of award (Article 3)
- Monthly Payments: \$1,000 monthly, plus revenue from resales.



Phase In/Out

- Must be able to start with-in 30 days and fully operational within 120 days or as approved by SCO.
- Phase Out: 120 days from end of contract. To allow phase in of new contract.



Inventory

- Government Decides what will be delivered...
 - 100 M lbs Minimum
 - No returns except Hazardous (Mold or dangerous articles)
- Material will require certificates of Destruction with some exceptions.
- Material down graded from usable (unserviceable) inventory is included (Cardboard, Tires, furniture, textiles)
- The Government may require return of inventory
- Scrap with Demil Code other than A: End Use Certificate required prior to resale.
- Demil As Condition of Sale
- Mutilation as Condition of Sale



Scrap Yard Management

- Buyer will manage the scrap yards
 - Receiving
 - Sorting
 - Re-selling/Removing
 - Labeling
 - Cleanliness
- Manage Receipt In-Place Locations
- Equipment: Supplement Equipment needed from Schedule A (GFE)
- Staffing Requirements: Schedule F
- Containers: Schedule G



Compliance/Audit

- Comply with State, Federal, Installation regulations/instructions...
- License and Permits
- Cooperate with DOD Investigations or Audits
- Environmental Management System (EMS)
- Compliance Reviews



Reports

- Buyer will provide monthly inventory reports
- Weekly Re-sale reports
- Seller Indirect Cost Report
- Non-Responsible buyer reports
- Classified Inventory report/incidents
- Equipment reports



Request For Technical Proposal

- Technical Proposals should respond to ALL requirements in the RFPT and be complete without additional explanation or information
- Technical Proposals and modifications/addendums must be received by 4:00 pm EST on January 29, 2016 to be considered.
- Technical Proposal is the primary basis for the evaluation of:
 - the degree to which the bidder's claims of performance capacity are supported
 - the ability of the bidder to perform in accordance with the contract requirements



RFTP - continued

- Organization

- I. TITLE PAGE
- II. TABLE OF CONTENTS
- III. EXECUTIVE SUMMARY
- IV. OPERATIONAL PLAN
- V. BUSINESS PLAN
- VI. LIST OF APPENDICES
- VII. IDENTIFICATION OF MARKETING CONSULTANTS/ADVISORS



RFTP - continued

- EXECUTIVE SUMMARY
 - Highlight bidder's approach
 - Key capabilities
 - Resources
 - Financial capacity
 - Experience & understanding of business and operational efforts required by this solicitation



RFTP – Operational Plan

- Procedures Demonstrating Capability
 - Receiving/Sorting/processing Scrap
 - Previous Sales History
 - Removal and Facilities/Storage
 - Environmental & Safety Procedures, Licenses, Permits
 - Accountability
 - Tracking all financial proceeds
 - Tracking physical inventory
 - Controlling and tracking all Demilitarization as a Condition of Sale Property
 - Soft-ware: Inventory management, accounting and reporting obligations, Marketing
 - Internal Controls
 - Post-Award Period and Phase-In Period



RFTP - continued

- **BUSINESS PLAN**
 - Management and Organization
 - Project Organization
 - Key Personnel and Staffing
 - Risk Factors
 - Financial Plan
 - Financial Capacity
 - Experience
- **APPENDICES**
- **IDENTIFICATION OF MARKETING CONSULTANTS/ADVISORS**
 - Definitions
 - Use of Marketing Consultants or Advisors



RFTP - continued

- Evaluation criteria
- Oral or written discussions
- Notice of unacceptable proposals
- Attachment: Draft IFB (Provided for information only)
- **Do not submit bids with TP**
- **FORMAT**
 - Eight copies
 - Title Page including required elements
 - Table of contents – identifies major sections
 - Three ring notebooks



Historical Data

- Available on our public website
 - Historical Summary of Material Issued under contract 99-4001-0004, 2006-2012 (does not include CG)
 - Scrap Receipt Information FY12 through FY14 (excluding electronic scrap)
 - Scrap Material Release Orders FY14-FY15



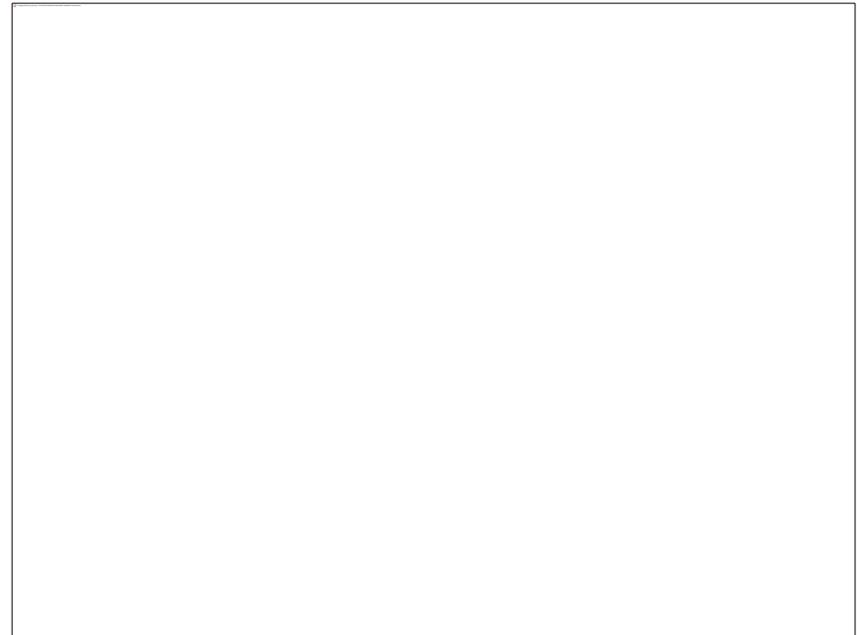
Historical Data - continued

- Historical MRO (property location)
 - FY14 - 288M lbs. scrap property
 - FY15 - 318M lbs. scrap property
- SV Contract (minus D4R)
 - FY14 - 240M lbs. scrap sold
 - FY15 - 316M lbs. scrap sold



DELIVER THE RIGHT SOLUTION ON TIME, EVERY TIME

Scrap Yard Tour





Points of Contact

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