



DEFENSE LOGISTICS AGENCY

AMERICA'S COMBAT LOGISTICS SUPPORT AGENCY



SCRAP & SALVAGE RECYCLING CONTRACT (SSR)

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AGENDA

- SSR Overview
- Scrap Inventory
- Do's and Don'ts
- Government Furnished Equipment
- Control Group Sites
- Trash/Debris (B00)
- Receipt In Place (RIP)
- Scrapyard Staffing
- Removal Timelines
- Housekeeping
- DSS transaction process (SXAA)



AGENDA (cont.)

- QRP/Reimbursables
- Scrap Weight Reconciliation
- Evidentiary Matter(EM)
- Summary
- Resources
- POCs



SSR Overview

- SSR Contract replaces Scrap Venture (SV)
- Awarded to incumbent, Liquidity Services, Inc.
- Broker sales relationship (resale buyer will physically remove property)
- Improves recycling efforts of challenging commodities, as the buyer can no longer refuse scrap items (eg. Furniture, Canvas and tires)
- SSR will go into effect October 1, 2016
- Higher revenue potential vs SV for DLA Disp Svcs (64.5%)



SSR Overview (cont.)

- Scrap & Salvage Recycling Contract
- 3 year base with two 1-year options
- Buyer receives, sorts/improves commodities, and resells/recycles providing Disp Svcs a percentage of the gross resale proceeds
- Guaranteed Delivery of 100M lbs of Material per year
- Property location – CONUS, Alaska, Hawaii, Guam, Puerto Rico, and possibly the U.S. Virgin Islands



Scrap Inventory

- Government Decides what will be delivered...
 - **100 M lbs Minimum**
 - **No returns except Hazardous (Mold or dangerous articles)**
- Comprised of scrap and salvage inventory that Disp Svcs either received as a scrap commodity or was downgraded to scrap
- Scrap Inventory remaining on 01Oct 2016 will transfer over to the SSR contract
- Scrap Inventory will be issued by Demil Code (A, B & Q)
- Other property may be issued **ONLY** with Demil or mutilation as a condition of the sale (DCoS/MCoS)
- Options available to include hazardous materials only under mutual agreement



Do's and Don'ts

Do's

- Continue processing tires, furniture, and textiles under SV guidelines until SSR implementation.
- Continue current scrap release process
- Treat the transition as if a brand new contractor were taking over
- Process all removals by 09/30/2016
- Starting on 10/01/2016 material must be downgraded into the correct SCL

Don'ts

- Stockpile (tires, furniture, and textiles). May increase liability for DLA Disp Svcs



Government Furnished Equipment

- Government furnished equipment (GFE) is equipment or material handling equipment (ex. Hoppers, forklifts)
- Shared GFE
 - Responsibility of the Government
 - Government responsible for maintenance & costs
 - DLA Disp Svcs *may* approve SSR contractor to use MHE under certain limited circumstances
- Dedicated GFE
 - SSR contractor responsible for maintenance and upkeep costs
 - Only operated by properly trained SSR contractor personnel
 - SSR contractor *may* approve DLA Disp Svcs personnel to use under certain limited circumstances



GFE (Cont.)

- **Fixing damaged GFE equipment, whether shared or dedicated, is the responsibility of the user at the time of operation**
 - **Defense Property Accountability System (DPAS) input required for all DLA - owned GFE including dedicated GFE**
 - SSR contractor provides hour meter readings and maintenance updates for dedicated GFE (costs, downtime, etc. or actually paying for the maintenance).
 - SSR POC/ALTERNATE ensures DPAS is updated based on information provided by SSR contractor
- *If anything changes, one of the SCOs will make contact and give you plenty of notice**



Control Group Sites

- Notification of initiated
- Current contractors will have the opportunity to novate their existing contracts over to Contractor
- If contract novation is not agreed upon, Contractor will assume responsibility of scrap operations at that site
- Contractor assumes control & responsibility for scrap operations on 01 October 2016



Trash/Debris (B00)/Dunnage

- SSR contractor is responsible for:
 - Disposal of their own dunnage.
- DLA Disp Svcs is responsible for:
 - DLA Disp Svcs generated trash, rubbish, and refuse. Disp Svcs trash, rubbish and refuse will remain in our pile, separated from the contractors scrap and not transferred to the contractor.
- Items that go to the contractor will be downgraded to the appropriate SCL codes and may be left in it's packaging.



Receipt In Place (RIP)

- SSR Contractor will assume responsibility for the RIP sites
- Ensure that a valid Memorandum of Understanding (MoU) is in place
- This includes deconstruction material (i.e. anchored property/antennae/storage tanks)

*Note (Deconstruction material may be subject to refusal if sales fails)



Scrapyard Staffing

- In order to operate within the budget of the new contract, Contractor has reevaluated the hours/days it will staff our scrapyards
- Contractor will leverage staffing levels in accordance with mission requirements and workload
- Contractor Staffing will be adjusted in accordance with scheduled and contingent workload



Scrapyard Staffing

East Region

SITE	Manned/Unmanned	Days Manned
Aberdeen	Unmanned	Tues & Thurs
Anniston	Manned	Mon-Fri
Benning	Manned	Mon-Fri
Cape Canaveral (Patrick)	Unmanned	Wed
Columbus Depot	Unmanned	Tues & Thur.
Eglin	Manned	Mon-Fri
Ft Drum	Manned	Mon-Fri
Ft Meade	Manned	Mon-Fri
Groton	Unmanned	Wed
Huntsville	Unmanned	Wed
Jackson	Manned	Mon-Fri
Gordon	Unmanned	Wed
Stewart	Unmanned	Wed
Jacksonville	Manned	Mon-Fri
Letterkenny	Manned	Mon-Fri
Mechanicsburg	Manned	Mon-Fri
Richmond	Manned	Mon-Fri
Selfridge	Unmanned	Tues & Thur.
St Juliens Creek	Manned	Mon-Fri
Tobyhanna	Manned	Mon-Fri
Warner Robins	Manned	Mon-Fri
Wright Patterson	Unmanned	Wed
Bragg	Manned	Mon-Fri
Lejuene	Manned	Mon-Fri



Scrapyard Staffing

Central Region

Site	Manned/Unmanned	Days Manned
Campbell	Manned	Mon - Wed
Kirtland	Unmanned	2nd Tues month
Corpus Christi	Unmanned	3rd Tues of the month
Crane	Manned	Tues-Wed-Thurs
Ellsworth	Unmanned	As needed
Great Lakes	Unmanned	As needed
Holloman	Manned	Tues-Thurs
Bliss	Unmanned	Wed-Thurs Weekly
Hood	Unmanned	Wed, weekly
Knox	Manned	Tues-Wed-Thurs
Little Rock	Unmanned	Tues, weekly
McAlester	Manned	Mon-Thurs
Minot	Manned	Wed, weekly
Offutt	Unmanned	As needed
Polk	Unmanned	Wed, weekly
Riley	Unmanned	Wed, weekly
Rock Island	Unmanned	As needed
San Antonio	Unmanned	Wed, weekly
Scott	UnManned	Tues-Wed weekly
Tinker	Unmanned	1 day a week
Dyess	Unmanned	As Needed
Sill	Manned	Mon-Thurs
Sparta	Manned	Tues-Wed weekly
Texarkana	Manned - Buyer Managed	Mon-Fri
Whiteman	Unmanned	As needed



Scrapyard Staffing

West Region

Site	Manned/Unmanned	Days
Anchorage	Manned	Mon-Wed
Barstow	Manned - Buyer Managed	Mon-Fri
Camp Pendleton	Manned	Wed-Fri
Colorado Springs	Manned	Mon-Wed
Fairbanks	Manned	Mon-Fri
Fort Lewis/Puget	Manned - Buyer Managed	Mon-Wed
Fairchild	Unmanned	Once per month
Great Falls	Unmanned	As needed
Guam	Manned	Mon-Tues
Hawaii	Manned	Mon-Fri
Hill	Manned	Mon-Wed
Nellis	Manned	Mon-Wed
San Diego	Unmanned	Every other week
Sierra	Manned	Mon-Thurs
Travis	Unmanned	As needed
Tracy	Manned	Mon-Wed
Ft. Huachuca	Unmanned	Every other week
Tucson	Manned	Mon/Wed/Fri
Port Huneme	Unmanned	Every other week
Vandenberg	Manned	Mon-Fri
Yuma	Unmanned	As needed



Removal Timelines

- All Scrap Material stored in a Scrap Yard may be subject to maximum storage limits from the Host Installation or other Governing Agency.
- Tires are an example of this; they are normally subject to a maximum storage limit by count or weight and shall be removed prior to exceeding the storage limit.
- DLA Disposition Services further imposes the following timelines:
 - Material exempt from destructive scrapping in accordance with Article 11, Section 4 and sold as an item shall be removed within ninety (90) calendar days.
 - Material requiring a destructive scrapping waiver and sold as an item shall be removed within one-hundred twenty (120) calendar days.



Removal Timelines (cont.)

- Material sold by weight through a term contract shall be removed prior to exceeding storage limits or within five (5) working days of accumulating a full truck load if there has not been a removal within the past ninety (90) calendar days
- Material sold by weight in One Time Sales shall be removed prior to exceeding storage limits or within fifteen (15) working days of accumulating a full truck load if there has not been a removal within the past ninety (90) calendar days.



Inspections & Housekeeping

- SSR POC/ALTERNATE will provide a copy of any identified deficiencies from all biweekly compliance assessment management system (CAMS) to the SSR Contractor and SCO.
 - SSR Contractor responsible for correcting any scrap yard issues identified
- SSR POC/ALTERNATE notifies SCO within 5 days if the SSR Contractor fails to correct scrap yard issues identified on a CAMS or by housekeeping inspections



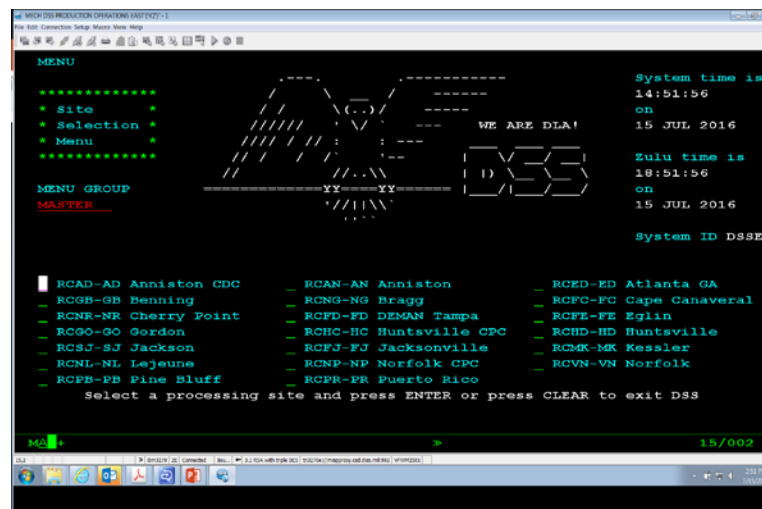
Inspections & Housekeeping (cont)

- SSR contractor (or sub contractor) shall be responsible to DLA Disp Svcs for any physical damage that is caused to any Government equipment or facility that arises out of an accident/ HM spill or negligence of Contractor, their vendors or their Resale Buyers



DSS transaction process (SXAA)

- The transition in DSS will be seamless to the Field Sites
- Same processing protocols. Field Sites will continue SXAA process within DSS to accomplish release of scrap weight
- Any product removal from the scrapyards WILL be processed as a release under SXAA





QRP/Reimbursables

For reimbursable DTIDs:

- Letter of Authorization (LOA) must be in place
- Coordinate with GL rep to find out which SCL the weight will be sold under
- Ensure the material gets put on record under that SCL
- October 1, 2016, reimbursements to the customer will be for actual proceeds returned to DLA DS minus administrative fees
- Reimbursements will be made to the customer after the material is sold



Condition Code Scrap = S
Condition Code Eligible Hazardous Material = H

QRP
DODAAC
must be in
both places

DD FORM 1348-1A JUL 91 (EG) ISSUE RELEASE/RECEIPT DOCUMENT



Scrap Weight Reconciliation

- **SSR POC/ALTERNATE performs monthly scrap reconciliation**
 - Use DSS scrap inventory/walk the facility inspecting the scrap locations
 - Use adjustments for weight gain or loss as necessary
 - Ensure On ground quantity matches quantity in DSS
 - SSR POC/ALTERNATE notifies SSR contractor and recovers excluded property found in accumulation piles



Evidentiary Matter (EM)

- Monthly scrap file maintained at DLA Disp Svcs file 5000.90
- SSR POC/ALTERNATE maintains a monthly file or eDocs for:
 - Receipts (scrap, downgrade, scrap tally, etc.)
 - MRO (1348-1A)
 - Removals (weight tickets, adjustments, etc.)
 - DLA form 1367
 - Bill of sale (between purchaser and resale buyer)
- SSR Contractor will be provided with copies of all required support documents maintained in DLA Disp Svcs repository (eg. Field site/edocs/DACS RM)



SUMMARY

- Under the SSR initiative, proper SCL codes must be utilized
- Right of refusal is diminished dramatically (i.e. challenging commodities)
- Use of consolidated SCLs (H24/H13) highly discouraged
- Inspections of scrap Piles
- Evidentiary Matter (EM)



Resources

- **Invitation for Bid No. 16-6049 (SSR contract)**
 - <http://www.dla.mil/DispositionServices/Offers/Public-Sales-Offerings/NationalRecyclingSales/>
- **Desktop Guides (DTGs)**
 - <https://eworkplace.dla.mil/sites/C32/N31/Shared%20Documents/Forms/AllItems.aspx>
- **Scrap Issuances**
 - <https://eworkplace.dla.mil/sites/S4/Pages/Scrap.aspx?View={d3417f21-11d7-4489-b328-f5f11d8d87dd}&SortField=LinkTitle&SortDir=Asc>
- **Key Personnel**
 - Sales Contracting Officers (SCOs), DLA Disposition Services HQ (J423)
 - SSR POCs located at DLA Disposition Services Field Sites
 - SSR Contractor



Points of Contacts (POCs)

Primary Contacts

SCO: Mr. Jose Montanez

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