

Overview of Profile-Based CLINs in DLA Disposition Services HW Disposal Contracts

What was the basis of the previous HW Disposal Contract model?

EPA Waste Code-Based Contract Line Item Numbers (CLINs) have been used in Hazardous Waste (HW) Disposal Contracts for over 20 years. Waste Code-Based CLINs were used to broadly categorize most hazardous waste streams into one of four characteristics: (1) Ignitable or Oxidizing, (2) Corrosive, (3) Reactive, or (4) Toxic. These categories corresponded to the disposal CLIN Series 9100, 9200, 9300, and 9400, respectively. The nomenclature used was designed to correspond with EPA Characteristic Waste Codes D001, D002, D003, and D004-43, respectively, where waste codes D004 through D043 identify waste streams which are toxic by EPA definition for metals and organics. Likewise, the 9500 through 9700 Series have been used to correspond to the various EPA Listed Waste Codes.

The broadly descriptive nature of the Waste-Based CLIN served its purpose in the late 1980's and into the late 1990's. However, while the contract model has remained principally unchanged for 20+ years, the hazardous waste treatment and disposal industry has evolved considerably. New treatment and disposal technologies have emerged over the years. There are now several treatment and disposal technology options for Contractors to choose from for nearly every conceivable waste stream generated in the U.S. With more sustainable and cost-effective options available, the Waste-Based approach has become outdated and largely ineffective. In order for the Federal Government to "catch up" with the private sector and align its waste management practices with the industry standard, it is imperative that DLA Disposition Services take a technology and waste profile-based approach to HW Disposal Contracts.

What are Profile-Based CLINs?

"Profile-Based" CLINs (PBCs) are designed to more thoroughly describe Generator waste streams in the Bid Schedule, using detailed information typically found in the Waste Profile Sheet (WPS) for each waste stream. For example, rather than soliciting a bid for simply managing "toxic waste" (as done in the previous model), the solicitation will list several toxic waste categories in significantly greater detail. Category specifications include such parameters as physical state (i.e. liquid, solid, sludge) and constituent concentrations (i.e. <100 ppm), to name a few. These specs are uniquely significant to Contractors in deciding which technology will be utilized to manage each stream, allowing them to make a more confident and competitive bid based upon their known costs for the various treatment and disposal technologies.

PBCs also reference the size of the container in which the waste is stored and transported. As such, pricing is based on "container size" for most waste streams, rather than the old practice of pricing strictly on a "per pound" basis. Container-size pricing has long been the industry standard. Typically, pricing is determined for 55-gallon drums, and often Contractors use a sliding scale for the pricing of other container sizes based upon the 55-gallon drum price.

The first PBC contract (SP4500-14-D-0004) was awarded on January 16, 2014 as the Colorado Springs Regional HW Disposal Contract. DLA has since awarded dozens of PBC contracts, and is now launching into Europe, Africa, and the Pacific regions.

What do Profile-Based CLINs look like?

PBCs are six (6) characters in length. The first four (4) characters, referred to as the "Base CLIN", reference the Waste Category used to describe the waste. The fifth and sixth characters, referred to as the "CLIN Suffix", reference the container size or other unit of measure. The six (6) characters collectively make up the PBC.

Examples of Base CLINs:

Base CLIN	PBC Category	Profile-Based CLINs (PBCs)
		Waste Description per Waste Profile Sheet Published: 05 Dec 2017
FL14	Flammable/ Combustible / Ignitable	Paints, Loose-Packed, Latex and/or Oil-Based, and Paint-Related Materials, $\geq 2,500$ BTU/Lb, No Isocyanates. (See Base CLIN NR06 for 100% Latex) - Physical State: Various - Permissible EPA Waste Codes: D001 (IGN), D004-43, Listed
NR06	Non-RCRA, Non-State and State-Regulated	Non-RCRA Loose-Packed Paints, 100% Water-Based, e.g., Latex. - Physical State: Various - Permissible EPA Waste Codes: N/A
PC01	PCB-Related	PCB and PCB/RCRA-Mixed Waste Contaminated with or Containing >50 ppm Source, e.g., Debris, Sludge, Water, Leaking Capacitors, Fluids other than Transformer Mineral Oil. Certificate of Destruction Required. - Physical State: Various - Permissible EPA Waste Codes: Characteristic, Listed
TX23	Toxic	Toxic/Hazardous Solids and Debris Meeting Universal Treatment Standards (UTS). Subtitle C Landfill Ready. No Free Liquids or PCBs. - Physical State: Various - Permissible EPA Waste Codes: Listed

CLIN Suffix Table:

05 Dec 2017

Containerized Waste Units							
CLIN Suffix →	C1	C2	C3	C4	C5	C6	C7
Container Size/Type	0-5 Gal DM/DF	6-15 Gal DM/DF	16-30 Gal DM/DF	31-55 Gal DM/DF	56-95 Gal DM/DF	CYB, TRIWALL or PALLET	Containerized Pounds
(U/M)	(EA)	(EA)	(EA)	(EA)	(EA)	(EA)	(LB)
Bulk Waste Units							
CLIN Suffix →	B1	B2	B3	B4	B5	B6	
Bulk Load Description	Heavy Bulk Solids (>600 Lbs/Yd ³) Priced per Lb, Based on Bulk Loads that are...				Bulk Pumpable Liquids	Lightweight Bulk Solids (<600 Lbs/Yd ³)	
(U/M)	$<10,000$ Lbs (LB)	10K-20K Lbs (LB)	20K-30K Lbs (LB)	$>30,000$ Lbs (LB)	Gallons* (GL)	Cubic Yds* (CD)	
Notes:	Weights shown above are net weights of actual waste per bulk load. Not to be used for lightweight solids weighing less than 600 Lbs/yd ³ .				*Light Load Surcharges Apply	*Min. Load Volumes Apply	
Miscellaneous Units							
CLIN Suffix →	ME	M1	M2	M3			
Cylinders	Lecture	Small	Medium	Large			
Size Up To:	3" x 12"	4" x 24"	12" x 36"	16" x 56"			
(U/M)	(EA)	(EA)	(EA)	(EA)			
CLIN Suffix ME (Misc. Each) also has other applications, e.g., on-site vacuumed/pumped 55-gal drums.							
Hybrid Bid Schedules Only							
CLIN Suffix →	ME	M1	M2	M3			
Container Size:		1.25 Gal	2.5 Gal				
Type:		DM/DF	DM/DF				
(U/M)		(EA)	(EA)				

For example, a drum or rolloff box containing “Toxic/Hazardous Solids and Debris Meeting Universal Treatment Standards (UTS), Subtitle C Landfill Ready, No Free Liquids or PCBs” would be assigned the Base CLIN TX23, where TX refers to the Toxic category, and 23 corresponds to a specific toxic waste description listed under that category in the Menu of Services. The size of the container is then designated by its associated CLIN Suffix. For example, a 55-gallon container of this waste would be assigned TX23C4, where C4 refers to a container size of 31-55 gallons. The same waste in a bulk load weighing 32,000 Lbs would be assigned TX23B4, where B4 represents bulk solids loads weighing >30,000 Lbs. This nomenclature is also compatible with the RBI/DSS system that is currently deployed by DLA Disposition Services.

Why are we deploying this initiative?

Simply put, the purpose of this initiative is to align the management of DoD waste with the HW treatment, storage, and disposal industry, improve transparency in pricing, and decrease financial risk to the Contractor. Due to the relatively non-descriptive nature of the former Waste-Based model, Contractors are understandably inclined to bid pricing based on worst-case scenarios – in order to ensure cost recovery. For example, under the previous model, if a Bid Schedule indicated an estimated quantity of 50,000 lbs of CLIN 9202, Contractors only knew there would be roughly *50,000 lbs of Containerized Corrosive Waste carrying the D002 EPA Waste Code*. The CLIN description told them nothing more about the waste; only that it was corrosive by EPA definition. Contractors know there are many different types of corrosive wastes, including acidic, alkaline, organic, inorganic, liquid, sludge, characteristic or listed. Some of these can be managed by a lower cost wastewater treatment (WWT) technology, while others may require the relatively higher cost of incineration technology. For this reason, the bid price for CLIN 9202 was based in part on the more costly technology.

However, under the Profile-Based model, 50,000 lbs of corrosive waste shown in the Bid Schedule would be stratified based upon more detailed waste properties. PBCs would be assigned, as appropriate, to the various properties detailed in the WPS. This is how a Bid Schedule might be developed under the new model:

Hypothetical Generator Breakout of 50,000 lbs of Containerized Corrosive Waste:

Base CLIN	Description	CLIN Suffix	Est. Qty	U/M	Bid Price
CS01	Corrosive Acids, Inorganic other than HF and HNO ₃ , <50% in Water, Non-Fuming, <1% Total Metals, Cr+6 <100 ppm Physical State: Liquid (Est. Qty: 15,000 LB)* Permissible Waste Codes: D002, D004-11, Listed Inorganics	C1	22	EA	\$ -
		C2	6	EA	\$ -
		C3	5	EA	\$ -
		C4	23	EA	\$ -
CS04	Corrosive Acids, Chromic (H ₂ CrO ₄), <1% Cr+6, Characteristic Liquids, Solids, Sludges, Debris Physical State: Mixed (Est. Qty: 20,000 LB)* Permissible Waste Codes: D001 (Oxidizer) D002, D004-11	C4	24	EA	\$ -
		C5	2	EA	\$ -
CS12	Corrosive Ammonia/Amines, Organic/Inorganic, Liquids, Sludges, Solids, Debris, Non-Flammable Physical State: Mixed (Est. Qty: 10,000 LB)* Permissible Waste Codes: D002, D004-11, Listed	C1	10	EA	\$ -
		C2	3	EA	\$ -
		C3	5	EA	\$ -
		C4	14	EA	\$ -
		C5	1	EA	\$ -
CS13	Corrosive Organic Acids or Bases, Liquids, Sludges, Solids, Debris, No Ammonia/Amines, Non-Flammable Physical State: Mixed (Est. Qty: 5,000 LB)* Permissible Waste Codes: D002, D004-11, Listed	C1	2	EA	\$ -
		C2	4	EA	\$ -
		C3	6	EA	\$ -
		C4	5	EA	\$ -

*Est. Quantity in Lbs will not be reflected in the actual Bid Schedule – only Est. Qty by CLIN Suffix.

This approach allows the Contractor to make an informed and competitive bid based upon knowledge of the applicable technologies and their associated costs. In this hypothetical Generator breakout of corrosives using PBCs, the Contractor will recognize that up to four (4) different treatment & disposal technologies can be used, each with a different cost. Under the previous CLIN structure, the bid price may have been based upon the more costly technology (incineration in this case) in order to ensure the Contractor's costs are met and a profit is predictable. Using this model, the Bid Schedule makes apparent to the Contractor, that only 20-30% of the corrosive waste generated will likely require incineration (CS12, and possibly CS13).

In summary, this initiative is intended to better align DLA Disposition Services HW Disposal Contracts with commercial practices, where Contractor pricing is primarily based on applicable treatment/disposal technologies and container sizes. It is our intent that through improved alignment with private sector practices, a reduction in financial risk to Contractors and increased competition will ensue, ultimately mitigating "worst-case scenario" pricing that our DoD customers pay for HW disposal services.