

Request for Qualifications
for
Operation of the Last Chance Mercantile
In Partnership with the
Monterey Regional Waste Management District



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Submission Deadline: November 30, 2020 1pm
MRWMD Contact: LCMRFQ@MRWMD.org

Table of Contents

| | | |
|-----------|---|---|
| 1. | OVERVIEW OF THE REQUIREMENT | 3 |
| 2. | SERVICES SOUGHT FROM PARTNERS..... | 4 |
| 3. | SERVICES PROVIDED BY THE DISTRICT | 4 |
| 4. | REQUEST FOR QUALIFICATIONS | 4 |
| 4.1 | Enquiries | 4 |
| 4.2 | Closing Date | 5 |
| 4.3 | Late Responses..... | 5 |
| 4.4 | Review Committee..... | 5 |
| 4.5 | Review and Selection | 5 |
| 4.6 | Signed Responses..... | 5 |
| 5. | EVALUATION CRITERIA | 5 |
| 6. | SUBMISSION REQUIREMENTS..... | 5 |
| 7. | CONFLICTS OF INTEREST..... | 6 |
| 8. | LIMITATIONS | 6 |

1. Overview of the Requirement

Monterey Regional Waste Management District - Description and History

The Monterey Regional Waste Management District (“District”, “MRWMD”) was formed in 1951 as the “Monterey Peninsula Garbage and Refuse Disposal District” under the California Health and Safety Code. From 1953 to 1966, the District operated a disposal site on a leased portion of the Laguna Seca Ranch off of Highway 68. From 1966 to the present, the District has operated a sanitary landfill on 470 acres of District-owned property in northwest Monterey County, adjacent to the Salinas River. Effective January 6, 1987, the District’s name was changed to Monterey Regional Waste Management District.

The District’s primary purpose is to provide solid waste recycling, processing, and disposal service in the western Monterey County region. Over time, the District’s role has expanded to include the recovery of recyclable materials in the waste stream (including cardboard, newspaper, glass, wood waste, plastics, metals, concrete, asphalt, reusable building materials and resale items), composting of green (yard) waste and food waste, receipt of non-hazardous liquid wastes, acceptance of household hazardous waste, and disposal of municipal solid waste. In addition, the District operates a landfill gas to electrical energy system, with capacity to generate about 5,000 kilowatts of continuous power. Finally, the District operates the Last Chance Mercantile (LCM), a re-use store located on the premises where material diverted from the waste stream — directly by MRWMD staff or through donation by residents — is resold to the public.

The District is governed by a nine-member Board of Directors made up of representatives from the following entities: City of Carmel-by-the-Sea, City of Del Rey Oaks, City of Marina, City of Monterey, City of Pacific Grove, City of Sand City and City of Seaside, the Pebble Beach Community Services District, and Monterey County on behalf of the unincorporated area in the western portion of Monterey County.

Last Chance Mercantile

In 1991, the District created the Last Chance Mercantile which operated a monthly flea market and auction at a building located on the District’s site. Items sold included bicycles, toys, antiques, construction materials, collectibles, paintings, books, furniture, garden accessories, tools, and virtually hundreds of household items that still had a useful purpose. Construction materials included bricks, concrete blocks, lumber, doors, windows, sinks, and miscellaneous hardware. By 1994, the store was open every Friday and Saturday, due to the increased accumulation of saleable materials.

In 1996, the Last Chance Mercantile was moved to its current location, a purpose-built facility that includes an 8,000 square-foot building and a paved two-acre yard. The building has a room for processing materials prior to sale, office space for the store manager, restrooms, and more indoor space for displaying items. The new site also includes a larger yard that enables the District to handle customer donations and manage a larger inventory. The yard enabled the District to begin selling landscape materials produced from the District’s compost operations. The store operations were expanded to Monday through Saturday, and later shortened to Tuesday through Saturday. The facility has 74 customer parking spaces, including 2 handicap spaces, contiguous to the LCM building and yard.

Over the past several years the Last Chance Mercantile has operated with a staff of 15, and, in addition to the LCM retail activities, the facility and staff have also processed/packaged electronic waste, operated the California Refund Value (CRV) Buy-Back program, and sold landscape products. As the breadth of activities have expanded over the past 10 years, so too have the costs of operations. During

this period operating costs (primarily personnel-related) have doubled while revenues have remained flat. The result has been an evolution from operating at near breakeven to operating at an unsupportable financial deficit.

In response to the safety concerns caused by the COVID-19 pandemic, and the resultant impacts on the District's Fiscal Year 2020-21 budget, the Last Chance Mercantile has been closed since mid-March of 2020.

Purpose of this RFQ

The District's Board of Directors has directed staff to explore ways to reopen the LCM as quickly as possible. This Request for Qualifications is designed to ascertain whether there are non-District organizations that would be interested, qualified, and have a viable plan to operate the Last Chance Mercantile in a manner that meets the MRWMD's mission of "turning waste into resources" while doing so in a financially sustainable way.

2. Services Sought from Partners

The District seeks long-term partners qualified to operate the Last Chance Mercantile store. Partners will be expected to handle and sell material diverted by District staff from the active waste stream and accept donations from the general public. Recovered material will be made available for resale at the existing Last Chance Mercantile store and at other locations if desired by the partner. Landscape products may be provided by the District to the store ready for resale, subject to a resale agreement. Partners will not be asked to handle electronic waste or operate a California Refund Value program (CRV Buy-Back program).

Partners must be committed to supporting the District's waste diversion mission but may serve additional objectives beyond this purpose. Furthermore, the District will entertain operating models that differ from historical practices, including staffing, hours of operation, retail strategies, service mix, or other aspects that may be of interest to partners. All operations must conform with best practices related to COVID-19 safety. Business practices must conform with all local and federal laws and be compatible with operations on a governmental agency's property.

3. Services Provided by the District

The District will make available the current LCM facility, including the building, operations yard and parking areas described in Section 1 above. The District will maintain these facilities in safe and legally compliant working conditions and make infrastructure improvements that are deemed necessary by District staff, in consultation with Partner(s). The District is open to discussion regarding Partner's use of other District assets, such as forklifts or other equipment, when used in the delivery of services.

4. Request for Qualifications

4.1 Enquiries

All enquiries related to this RFQ are to be directed, in writing, to the **email** address on the front cover of this RFQ.

4.2 Closing Date

Qualified organizations have the option of submitting responses via email, standard mail or personal delivery. All submittals must be received by the District by no later than 1 p.m. Pacific Time, on Monday November 30, 2020. If hardcopies are provided, please include one unbound original and three copies and one electronic copy on a USB Flash drive.

4.3 Late Responses

Late responses will only be accepted if a written extension is provided by the District no later than 24 hours in advance of the Closing Date.

4.4 Review Committee

RFQ submissions will be reviewed by the District's senior Leadership Team.

4.5 Review and Selection

This RFQ is being used for pre-qualification purposes. The District anticipates engaging in follow-up discussions with qualified Partners about the details outlined in the RFQ responses. The District may choose to issue a Request for Proposals (RFP) to finalize terms and conditions. Qualified respondents will be provided with a copy of the RFP if one is issued. Alternatively, the District may choose to negotiate directly with qualified Partners in order achieve the District's desired outcome. District staff expects to present to the District's Board of Directors a range of options for achieving the resumption of LCM operations.

4.6 Signed Responses

Responses must be signed by the organization's Chief Executive Officer or equivalent, or by the Chair of the organization's Board of Directors.

5. Evaluation Criteria

Submittals will be evaluated based on the following criteria:

1. Understanding of and commitment to the requirements and business objectives described in this RFQ.
2. Experience providing the types of services outlined in the RFQ response.
3. Proven ability to develop and sustain new programs and/or services.
4. Evidence of financial stability; evidence of ability to sustain a long-term program.
5. Evidence of fit of proposed approaches with MRWMD objectives, including any ability to utilize some or all of MRWMD's former LCM employees.
6. Reputation in the community.

6. Submission Requirements

Please provide responses to the following topics:

1. Description of organization – please provide information on the following topics:
 - Organization's contact information, including project point person and title
 - Organization's mission
 - Organization's history
 - Sources of funding and description of organization's financial position; financial statements for the past three years

- Description of organization's current operations
 - Description of organization's strategic plan and/or priorities
2. Statement of interest – Please describe why your organization is interested in partnering with MRWMD on this project. What positive outcome do you anticipate from this arrangement for your organization or for the community you serve?
 3. Description of vision for this partnership – Please describe your organization's vision for participating in this project. Include information on how you propose to operate the LCM store, including staffing, hours of operation, integration with other aspects of your organization's operations, and safety practices. Also describe what kind of support you will expect from MRWMD in the form of staffing, operational support or financial support. If you have preliminary financial projections on the operations, please provide those for additional clarity. We recognize that this vision may change over the course of further discussions, however, we are seeking to understand your current thinking on this topic.
 4. Description of relevant projects or partnering experiences – Please describe your organization's past experiences that are relevant to this project. This may include expansion of your mission or operations, or development of partnership arrangements with other organizations. Provide up to 3 references relevant to this history.
 5. Description of what failure might look like – Imagine that in 5 years your organization has concluded that this partnership has been a failure. Describe the conditions that might have contributed to this failure.

7. Conflicts of Interest

The respondent should disclose conflicts of interest, in writing, to the review committee who will consider the nature of the respondent's responsibilities and the degree of potential or apparent conflict in deciding the course of action that the respondent needs to take to remedy the conflict of interest.

8. Limitations

This RFQ is neither a formal request for bids, nor an offer by the District to contract with any party responding to this RFQ. This RFQ does not commit the District to award a contract or to reimburse any applicant for costs incurred in submitting a response to this RFQ. The District, in its sole discretion, reserves the right to reject any or all responses submitted; to interview any, all, or none of the respondents; to negotiate with any respondent; to extend the deadline to submit a response; or to amend or cancel in part or in its entirety this RFQ.