

TEXAS DEPARTMENT OF TRANSPORTATION  
GENERAL SERVICES DIVISION

SPECIFICATION NO.  
TxDOT 926-77-92A\*  
REVISED: OCTOBER 2013

REMOVAL OF RECYCLABLE MATERIALS – SCRAP PAPER,  
ALUMINUM CANS, AND PLASTIC BOTTLES

PUBLICATION

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1. SCOPE: This solicitation is to provide services for the removal of recyclable materials on a recurring basis. The service shall include providing collection containers for various grades and quantities of scrap paper, aluminum cans, and plastic bottles from the TxDOT facilities listed on Attachment A – Locations and Containers. TxDOT plans to award a fixed-revenue-percentage purchase order resulting in the highest aggregate revenue to the State.
2. DEFINITIONS OF TERMS AND ACRONYMS
  - 2.1. COLLECTION CONTAINER – a receptacle, including lids that protect, contain, and store recyclable materials.
  - 2.2. COMMINGLED – mixed recyclable materials of several types that are collected together.
  - 2.3. PPI-PPW – PPI PULP & PAPER WEEK – market index for paper values by grades.
    - 2.3.1. Mixed (2) – Mixed Paper, or Hard Mixed Paper: Consists of a clean, sorted mixture of various qualities of paper containing less than 10% ground-wood content.
    - 2.3.2. OCC (11) – Old Corrugated Containers: Consists of corrugated containers having liners of test liner, jute or Kraft.
  - 2.4. PPI-PPW Southwest – price market index used to determine paper stock prices for the purchase order.
  - 2.5. RECYCLABLE MATERIALS – material that has been recovered or diverted from the non-hazardous solid waste stream for purpose of reuse, recycling or reclamation and a substantial portion of which is consistently used in the manufacture of products, which may otherwise be produced using raw or virgin materials.
  - 2.6. TxDOT CA – TxDOT Contract Administrator – designated individual that will serve as the purchase order contract administrator between TxDOT and the vendor.

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\* This Specification Supersedes Specification No. TxDOT 926-77-92, Revised July 2012.

3. **APPLICABLE LAWS AND STANDARDS:** The vendor shall provide the specified service requirements in accordance with all federal, state, and local applicable laws, standards, and regulations necessary to perform the services, including, but not limited to:
  - 3.1. Texas Health and Safety Code, Chapters 361 Solid Waste Disposal Act and Chapter 363 Municipal Solid Waste.
  - 3.2. Texas Administrative Code (TAC) 30, Part 1, Chapter 328, Waste Minimization and Recycling.
4. **BACKGROUND:** TxDOT's Recycling staff coordinates with a network of district and regional warehouse staff to back haul an average of 20 gaylords per month. The Athens Regional Supply Center serves as a collection point for mixed recycled paper and cardboard using gaylords as collection containers. Once filled, the gaylords are shrink wrapped and shipped to the Athens warehouse. Once received in Athens, the TxDOT local contact will contact the recycling vendor for service pickup of approximately 40 gaylords. At this time, TxDOT also requests delivery of 15 empty gaylords for redistribution to the regional warehouses.
5. **RESPONDENT QUALIFICATIONS:** The respondent shall:
  - 5.1. Be a company engaged in the business of providing removal and disposal of recyclable materials for a minimum of three years within the last five years. Recent start-up businesses do not meet the requirements of this solicitation.

**NOTE:** A start-up business is defined as a new company that has no previous operational history or expertise in the relevant business and is not affiliated with a company that has that history or expertise. Two companies are affiliated if the two companies have a common parent company or if one is the parent or subsidiary of the other.
  - 5.2. Be in good financial standing and current in payment of all taxes and fees such as state franchise fees. TxDOT reserves the right to request a copy of the respondent's audited or un-audited financial statement.

TxDOT may request a statement from the president, owner or financial officer on company letterhead certifying that the company is in good financial standing and current in payment of all taxes and fees.

When financial statements are requested, TxDOT will review the respondent's audited or un-audited financial statement to this solicitation in accordance with Texas Government Code, Title 10, Subtitle D, Section 2156.007 to evaluate the sufficiency of the respondent's financial resources and ability to perform the contract or provide the service required in the solicitation. TxDOT will be the sole judge in determining the sufficiency of the respondent's financial resources and ability to perform the contract or provide the service. Factors to be reviewed include:

    - 5.2.1. Balance sheets.
    - 5.2.2. Net working capital.
    - 5.2.3. Current asset ratio.
    - 5.2.4. Liquidity ratio.
    - 5.2.5. Auditor(s) notes.

5.2.6. Any notes to the financial statements.

6. **RESPONDENT REFERENCES:** The respondent should submit a minimum of three references to substantiate the qualifications and experience requirements for similar services completed for three years within the last five years. References shall illustrate respondent's ability to provide the services outlined in the specification. References shall include name, point of contact, telephone number and dates services were performed. TxDOT references shall not be used. The response may be disqualified if TxDOT is unable to verify qualification and experience requirements from the respondent's references. The response may be disqualified if TxDOT receives negative responses. TxDOT will be the sole judge of references (Ref. Respondent References).
7. **VENDOR REQUIREMENTS:** The vendor shall:
- 7.1. Adhere to the TxDOT Terms and Conditions identified on the solicitation.
  - 7.2. Provide a primary point of contact.
  - 7.3. Have and maintain all applicable permits required to be in compliance with federal, state, and local laws, regulations and ordinances.
  - 7.4. Provide weight tickets from state certified scales.
  - 7.5. Own or rent all equipment to perform the service at the time of purchase order award and for the duration of the purchase order (Ref. Attachment A – Locations and Containers).
  - 7.6. Ensure each driver possesses a Class B Commercial Driver License valid in the state of Texas.
  - 7.7. Not drive a TxDOT vehicle or operate TxDOT equipment in performance of the service.

**NOTE:** TxDOT's Handbook of Safe Practices will be provided to the vendor at the Post Award Meeting (Ref. Para. 23.). Violation of TxDOT's Safe Practices may result in cancelation of the purchase order.

8. **SERVICE REQUIREMENTS:** The vendor shall:
- 8.1. Service the TxDOT facility according to the service frequencies detailed on Attachment A – Locations and Containers.
  - 8.2. Begin work within ten business days of the purchase order award or on the agreed upon date between TxDOT and the vendor.
  - 8.3. Provide an implementation and delivery schedule of containers for the location listed on Attachment A – Locations and Containers within two business days of the purchase order award or on the agreed upon date between TxDOT and the vendor. The schedule will be approved by TxDOT in writing within two days prior to implementation.
  - 8.4. Send an e-mail to request a service schedule change to the TxDOT CA and wait for written approval prior to making any permanent service schedule changes.
  - 8.5. Telephone or e-mail the designated TxDOT CA when minor changes must be made to the daily pickup schedule. An example of a minor change may include, but is not limited to, driver running late on the route or equipment breakdowns which will affect pickup delay for the day or week.

- 8.6. Deliver, service, and remove containers in a manner that does not disrupt TxDOT's normal business operations as detailed below and adhere to the following hours unless otherwise specified by the designated TxDOT CA.
    - 8.6.1. Inside containers located at the Athens Supply Center should be serviced between 8:00 a.m. and 4:00 p.m. local time, Monday through Friday excluding state and federal holidays.
  - 8.7. Provide extra pick-up trips on an as needed basis as requested by the TxDOT CA (Ref. Para. 19.5.).
    - 8.7.1. Remove filled gaylords within 5 business days after TxDOT staff submit a service request by phone or e-mail.
  - 8.8. Weigh all incoming material on state-certified scales. The vendor shall provide proof of scale certification with the response and on the purchase order anniversary date for every year of the purchase order.
  - 8.9. Be responsible for, and repair or reimburse TxDOT, for any and all damages to the interior or exterior of the buildings caused by the vendor during performance of the service. Repair, replace, or pay for damages at full replacement cost, within 30 days from receipt of notice by the TxDOT CA.
    - 8.9.1. Vendor could be barred from future TxDOT contracts if work is not completed to the original condition or left incomplete.
    - 8.9.2. Cancellation of a contract shall not relieve the vendor of any obligation or liability that has occurred prior to cancellation.
  - 8.10. Pay TxDOT for each ton, or portion thereof, of recycled materials – scrap paper, aluminum cans, and plastic bottles on a price per ton basis. Such payment shall be calculated using a percentage of the OBM-SW PPI-PPW Southwest monthly market index multiplied by the weight of the material received. TxDOT requires payment on a per ton basis. Payment should be determined by dividing the price per ton by 2,000. For example: 2500 pounds/2000 = 1.25 tons. The payment will be the percentage of the determined per ton price bid.
  - 8.11. Accept all recyclable materials commingled in gaylord containers or other designated collection container.
  - 8.12. Add the aluminum cans and plastic bottle weights to the scrap paper weight and use the scrap paper value to determine the market value of this material stored in the gaylord boxes or other designated collection containers.
9. TxDOT RECYCLING LOCATIONS
- 9.1. Locations of facilities are specified on Attachment A – Locations and Containers.
  - 9.2. TxDOT reserves the right to add or delete facilities serviced under this purchase order.
  - 9.3. TxDOT will send an e-mail notice to the vendor seven business days in advance for adding to or deleting a location from the facilities list on Attachment A – Locations and Containers.

- 9.4. Service frequency will be provided for the new location as determined by existing service routes and the TxDOT CA.
- 9.5. TxDOT reserves the right to make permanent changes in service frequencies. TxDOT will inform the vendor by e-mail seven business days before requested change takes effect.
10. VENDOR EQUIPMENT REQUIREMENTS: The vendor shall:
- 10.1. Provide the types and quantities of collection containers listed on Attachment A – Locations and Containers and items described below for the collection and removal of scrap paper, aluminum cans, and plastic bottles. Use of alternate collection containers require written approval from the designated TxDOT CA.
- Gaylord Containers (Corrugated Bulk Boxes) shall:
- 10.1.1. Be a minimum standard size, 48 inches long x 48 inches wide x 48 inches high.
- 10.1.2. Have a minimum container strength of 500 pound test.
- 10.2. Equip all collection containers and vehicles to prevent materials from blowing or spilling onto TxDOT property or during transport to the vendor's facility.
- 10.3. Leave storage location clean of debris after servicing.
- 10.4. TxDOT CA may request additional gaylord boxes as business needs dictate.
- 10.5. Remove damaged containers as requested by designated TxDOT CA within two business days of request and between the hours of 8:00 a.m. and 4:00 p.m. local time, Monday through Friday excluding state and federal holidays. Replace removed damaged containers with undamaged, functional containers within two business days.
- 10.6. Remove containers from TxDOT property within five business days after expiration or cancellation of the purchase order. Vendor shall provide a written removal schedule for each location within two business days after purchase order expiration or cancellation.
- NOTE: Failure to remove all containers within this time frame will result in TxDOT moving the containers to another property location.
11. CONFIDENTIALITY CLAUSE
- 11.1. TxDOT is governed by laws and regulations that make certain information confidential as well as specifying how public information is released. The vendor, its employees or subcontractors shall not divulge any information relative to TxDOT business at any time to a third party without the prior written approval of TxDOT. All information created by or accessible to a vendor while providing a good or service for TxDOT is confidential.
- 11.2. Vendor shall not allow anyone to copy, reproduce, electronically transmit, release, distribute or use the recycled paper material or the information it contains in any manner without TxDOT's written consent.
- 11.3. Failure to secure recycled materials and information throughout the term of the purchase order may result in a negative vendor performance report or cancellation of the purchase order or both.

12. VENDOR PERFORMANCE: Vendor performance will be monitored on a regular basis by TxDOT. TxDOT may consider the following performance by the vendor as unsatisfactory performance. An unsatisfactory performance determination includes, but is not limited to:
- 12.1. Failure to meet the service schedule three times within six months.
  - 12.2. Failure to meet reporting and payment deadlines two times within one year.
  - 12.3. Failure to accurately measure and report services and paper tonnages collected two times within a year.
  - 12.4. Failure to provide and maintain the containers required in Para. 10. three times within six months.
  - 12.5. Disposing of TxDOT recyclables except for incidental trash in a landfill without prior written approval by the designated TxDOT CA anytime during the term of the purchase order.
  - 12.6. Disposing of recycled material illegally anytime during the term of the purchase order.
  - 12.7. Any occurrence of failure to repair, replace or pay for damages at full replacement cost, within 30 days from receipt of notice by the TxDOT CA.
  - 12.8. Any instance of vendor personnel driving a TxDOT vehicle or operating TxDOT equipment.
  - 12.9. Any instance of vendor personnel not abiding by TxDOT's Handbook of Safe Practices while on TxDOT property.
- NOTE: Unsatisfactory performance will result in a negative vendor performance report, or cancellation of the purchase order or both.
13. FACILITY RESTRICTIONS: The vendor shall make arrangements with the designated TxDOT CA prior to setting containers listed on Attachment A – Locations and Containers.
14. VENDOR PERSONNEL SAFETY: The vendor shall ensure its personnel have all required safety equipment and instruct its personnel to observe all safety policies, rules and requirements at all times while on TxDOT property.
- 14.1. TxDOT will provide vendor with TxDOT's Handbook of Safe Practices at the Post Award Meeting (Ref. Para. 23.).
  - 14.2. Violation of TxDOT safety rules may result in contract suspension or possible immediate termination.
15. SUBCONTRACTING
- 15.1. Subcontractors providing service under the purchase order shall meet the same service requirements and provide the same quality of service required of the vendor.
  - 15.2. No subcontract under the purchase order shall relieve the primary vendor of responsibility for the services.
  - 15.3. The vendor shall be the only contact for TxDOT and subcontractor(s).

- 15.4. The vendor shall manage all quality and performance, project management, and schedules for subcontractors. The vendor shall be held solely responsible and accountable for the completion of all work for which the vendor has subcontracted.
- 15.5. TxDOT retains the right to check subcontractor's background and make a determination to approve or reject the use of submitted subcontractor(s). Any negative responses may result in disqualification of the subcontractor.
- 15.6. TxDOT reserves the right to request the removal of vendor's subcontractor staff deemed unsatisfactory by TxDOT.
- 15.7. Subcontracting shall be at the vendor's expense.
- 15.8. During the term of the purchase order, if the vendor determines a need for a subcontractor change, TxDOT shall be notified in writing by the vendor within five calendar days of any proposed change. The vendor shall be required to provide references and work history for any proposed subcontractor to TxDOT. No change will be allowed without written authorization by TxDOT.
- 15.9. SOLICITATIONS OVER \$100,000: TxDOT will make an initial determination of whether subcontracting is probable. It is the respondent's determination to choose to subcontract any of the work under this purchase order with a Texas certified Historically Underutilized Business (HUB) or other businesses.
  - 15.9.1. If TxDOT has determined that subcontracting opportunities are probable, the class and items in which HUBs may be registered will be noted in the solicitation.
  - 15.9.2. The respondent shall identify all proposed HUB and other subcontractors at the time of response submittal. The required forms with video instructions can be found at the following website:  
  
<http://www.window.state.tx.us/procurement/prog/hub/hub-subcontracting-plan/>
  - 15.9.3. **RESPONSES THAT DO NOT INCLUDE A COMPLETED HUB SUBCONTRACTING PLAN AS INDICATED ON THE SOLICITATION SHALL BE REJECTED PURSUANT TO TEXAS GOVERNMENT CODE §2161.252(B).**
- 15.10. HUB SUBCONTRACTING PLAN (HSP) PRIME CONTRACTOR PROGRESS ASSESSMENT REPORT: After award of the purchase order, the vendor shall report all HUB and non-HUB subcontractor information using the HSP Prime Contractor Progress Assessment Report form. The report shall be submitted to the TxDOT Contract Administrator monthly. The report shall be submitted monthly even during the months the vendor is not invoicing TxDOT. All payments made to subcontractors shall be reported. TxDOT may verify the amounts being reported as paid by requesting copies of cancelled checks paid to subcontractors.
16. CONFLICT OF INTEREST: The vendor, vendor's personnel and vendor's subcontractor(s) shall affirm not to have, nor acquire any interest during the term of the purchase order that would conflict in any manner with the performance of the vendor's obligations in regards to services authorized.

17. QUARTERLY REPORT AND DETERMINATION OF MATERIAL MARKET VALUE: The market prices paid to recycle office wastepaper and aluminum beverage cans may increase or decrease each month. The price for recycling plastic beverage bottles will be inclusive of the amount paid for paper recycling. TxDOT closely monitors these changing conditions by requiring quarterly reports from the vendor.
- 17.1. QUARTERLY REPORT: The vendor shall submit via e-mail to Recycling@txdot.gov on or before the 15th of each month following the end of a quarter, a tabular report in Microsoft Office® Excel® format. The report shall contain:
- 17.1.1. Service dates performed during the previous month.
  - 17.1.2. Locations serviced.
  - 17.1.3. Material categories collected.
  - 17.1.4. Material categories listed by weight in pounds.
  - 17.1.5. Material category prices paid.
  - 17.1.6. The vehicle gross weight, tare weight, and net weight.
  - 17.1.7. Total amount due to TxDOT.
  - 17.1.8. Copies of weight tickets to validate the weight of the material collected.
  - 17.1.9. A PDF copy of the PPI-PPW pricing sheet for each month within the reporting quarter.
- 17.2. DETERMINATION OF MATERIAL MARKET VALUE: The vendor shall use the monthly PPI-PPW Southwest high point of the range to prepare prices for the quarterly reports and subsequent payment.
18. PAYMENT: The vendor shall submit payment by the 30<sup>th</sup> calendar day after the end of each quarter after the report and supporting documentation is approved by the TxDOT CA. If corrections are required, payment shall be made within five business days upon approval of the report.
- 18.1.1. Mailing address for checks:  
  
Texas Department of Transportation  
Finance Division  
PO Box 149001  
Austin TX 78714-9001
  - 18.1.2. Physical address to send checks by FedEx or UPS:  
  
Revenue Accounting Lead  
Texas Department of Transportation  
Finance Division  
200 E. Riverside Drive  
Austin TX 78704

19. TxDOT RESPONSIBILITIES: TxDOT will:
- 19.1. Provide a TxDOT CA, business address, e-mail address, and telephone number.
  - 19.2. Closely monitor changing market conditions by requiring quarterly reports and copies of the PPI-PPW pricing sheet from the vendor.
  - 19.3. Ensure plastic bags of scrap office paper, loose cardboard, and clear plastic bags of commingled aluminum cans and plastic bottles are placed in, gaylord containers or designated recycling containers.
  - 19.4. Approve implementation and delivery schedule within two days of submittal by vendor (Ref. Para. 8.3.).
  - 19.5. Provide 48 hour notice for extra pick-up trips on an as needed basis (Ref. Para. 8.7.).
20. RESPONSE SUBMISSION
- 20.1. The following **shall** be submitted with the response. Failure by the respondent to submit the documentation listed below **will** disqualify the respondent from further consideration:
    - 20.1.1. Original, signed, dated, and completed Invitation For Bid (IFB).
    - 20.1.2. Schedule 1 – Company Qualifications and Experience.
    - 20.1.3. HUB Subcontracting Plan (this requirement is stated on the IFB if applicable).
  - 20.2. The following **should** be submitted with the response. Failure by the respondent to submit the documentation listed below **may** disqualify the respondent from further consideration.
    - 20.2.1. Respondent References.
    - 20.2.2. Financial Standing – Statement from the president, owner or financial officer on company letterhead certifying that the company is in good financial standing, current in payment of all taxes and fees (Ref. Para. 5.2.).
    - 20.2.3. Proof of scale certification.
21. RESPONSE EVALUATION: The most responsive responsible respondent will be determined by highest percentage of market index per ton of the recyclable materials.
22. AWARD: TxDOT reserves the right to award a single purchase order to the most responsive, responsible respondent meeting the specification.
23. POST AWARD MEETING: Vendor may be requested to attend a post award meeting in Austin, Texas with TxDOT within ten calendar days after the award of the purchase order. The purpose of the meeting is to discuss the terms and conditions of the purchase order and to provide additional information regarding the purchase order. The TxDOT Handbook of Safe Practices will be provided to the vendor at this meeting.
24. CONTRACT ADMINISTRATION: Administration of the purchase order is a joint responsibility of the TxDOT CA and TxDOT Procurement Division. TxDOT Procurement staff will be responsible for administering the contractual business relationship with the vendor.

- 24.1. Any proposed work changes, whether initiated by TxDOT or the vendor, must receive final written approval in the form of a purchase order change notice signed by the authorized TxDOT purchasing agent.
- 24.2. Upon issuance of the purchase order, TxDOT will designate an individual who will serve as the Contract Administrator between the agency and the vendor. The Contract Administrator does not have any express or implied authority to vary the terms of the purchase order, amend the purchase order in any way or waive performance of the terms or conditions of the purchase order. This individual's contract management and contract administration responsibilities include, but are not limited to:
  - 24.2.1. Monitoring the vendor's progress and performance and ensuring services conform to established specification requirements.
  - 24.2.2. Managing the financial aspects of the contract including approval of payments and revenue received.
  - 24.2.3. Meeting with the vendor as needed to review progress, discuss problems, and consider necessary action.
  - 24.2.4. Identifying a breach of contract by assessing the difference between contract performance and non-performance.
  - 24.2.5. Other areas as identified by the Comptroller of Public Accounts Contract Management Guide, latest edition.