

SET Environmental, INC dba Environmental Remediation Service, INC.
Cost Proposal Narrative – RFP: 21-3530

SET Environmental, INC dba Environmental Remediation Service, INC. (hereafter “SET”) developed its RFP Proposal based on the site walk, additional information obtained from IDEM/IDOA, and past performance on similar job scopes. SET invested a significant amount of time assessing the total tonnage on site as it is the single largest variable needed to prepare the project plan and cost proposal, believes that 140 tons is a reasonably accurate, and built a project plan around a variable cost structure driven by tonnage. The total cost for waste tire removal and disposal of approximately 140 tons of waste tires for the scope of work outlined in RFP 21-3530 to be \$112,000, which equates to \$800 per ton of waste disposal as outlined in Attachment D – Cost Proposal. Should the actual tonnage be determined to be significantly higher or lower than the 140 ton estimate the proposed price of \$800 per ton will reasonably cover all expenses incurred should there be a material variance in volume without jeopardizing the outcome of the project.

As outlined in Attachment F – Technical proposal, there are 4 components of the project plan which directly impacted the total project cost the first 2 components making up most of the cost.

1. SET Service: SET estimates that the on-site services will be completed in 6 days with a 3-person crew and heavy equipment. SET’s team of 3 will establish a fueling and maintenance station and loading area to support operations over the duration of the on-site services. These costs are not material to the overall project cost and are considered a fixed cost. All of the following activities are considerable variable and are directly correlated to the waste tire tonnage removed from the site. SET will use heavy equipment for the removal of tires in their current location and transfer them to the loading area for disposal. Once SET has accumulated a sizable tonnage of tires in the loading area, then it will coordinate transportation with its subcontractor (Liberty Tire Recycling, LLC). The subcontractor will mobilize to site for loading, drive to a weigh station within 20 miles of the site to ensure that each load is within the 80,000-pound limit, and then arrive at its destination for disposal. These latter costs are all variable based on the tonnage removed from the site. In building the Cost Proposal, SET took into consideration all of its own labor costs, equipment, materials, and transportation needed to complete the job within six days. Should the waste tire tonnage vary, the majority of SET’s cost will remain constant per ton as the majority of the costs are variable.
2. Liberty Tire Recycling, LLC Services (“Liberty”): Liberty will provide the transportation and disposal services for this project. Liberty provided SET with a quote for the cost of transportation to legally haul 140 tons from site to their facility, and the cost of subsequent disposal. Over 90% of these costs are variable based on the waste tire tonnage.
3. Fritch Construction Company, INC Services (“Fritch”): Fritch will support the project by hauling the heavy equipment from SET’s Fort Wayne site to the job site at the beginning of the project, then returning at the end of the project to haul the heavy equipment back to SET’s Fort Wayne site. Fritch provided a quote for these services covering all costs incurred to support the project. This cost is immaterial to the total project cost, and is truly a fixed cost, regardless of waste tire tonnage.
4. Jacobi Oil Service, INC. Services (“Jacobi”): Jacobi will be supporting the job by providing a temporary fuel cell and the fuel needed to support the on-site use of the heavy equipment. They will mobilize to the site with a fuel-cell, place the cell in the fuel and maintenance station, fill the tank at the beginning of the project and will return to remove the fuel cell at the end of the project. Jacobi has provided a quote for these services covering our estimated fuel usage.

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The majority of this cost is variable based on tonnage, except for the mobilization and demobilization of the fuel cell.

SET understands the scope of work for RFP 21-3530, developed a cost-effective project plan to ensure we mitigate the material risks that impact the outcome of the project.