

ADDENDUM #2

August 4, 2017

RFP - Exclusive Solid Waste, Recycling and Yard Waste Collection

DUE 2:00 pm, August 22, 2017

1. Question:

Page 2 of 13: States franchisee shall provide last two years of financial statements, signed by them and a CPA. If a proposer is a publicly traded company, is an electronic copy of the annual report, prepared by a CPA firm, acceptable? Yes, for a publicly trading company, an electronic copy of the annual report will meet this requirement.

Answer: *Yes, for a publicly traded company, an electronic copy of the annual report will meet this requirement.*

2. Question:

Page 6 of 13: RFP asks for a copy of OSHA/DOT violations within the last 5 years. Would a report be sufficient?

Answer: *Yes, a copy of the report will be sufficient.*

3. Question:

Page 6 of 13: States that current County recycling collection provider must bid \$0.00 for recycling collection, yet other bidders should populate \$2.55. Why is the Town requesting the current county recycling collection provider to populate zero dollars for this curbside service?

Answer: *Currently, \$2.55 per month per residential unit in the Town is paid to the County through the solid waste assessment for curbside automated cart service. It is the Town's desire to establish an arrangement where the \$2.55 assessment per household will be paid directly to the franchisee and any additional amount would be added to the residential bills. Please see the file, **02 - Exhibit 2 - IRS Pricing Sheet – Revised**, posted on Town's web page.*

4. Question:

Page 6 of 13 and Pricing Sheets: The Indian River County recycling service is carted curbside service using automated side load (ASL) collection vehicles. The Town base price per unit for curbside recycling is currently for 18-gallon bin service. Please clarify why the Town has pre-determined a set rate for services that are not comparable.

- a. Also, does this pricing requirement hold that the selected proposer would be required to service curbside bins or carts at the \$2.55 rate? Or, if the \$2.55 pricing requirement is retained in the pricing sheet, does this confirm that the franchisee is to service the Town only with curbside carted ASL service

Answer: *Please see the answer to Question 3 above. Please note that the contracted franchisee will be responsible for providing recycling carts for multi-family (condominium) units, and is responsible for provision of the 18-gallon recycling bins for all single-family residences. The cost of containers should be built into the price.*

5. Question:

The RFP states the Town reserves the right to award residential and multi-family recycling collection services separately from the other services requested in this RFP and item G. However, the exclusivity clause states that recycling is included. Please clarify the Town's intention: is it to award one contract to an exclusive hauler or to award a recycle contract to possibly a different hauler other than the award to the exclusive contract?

Answer: *It is the Town's preference to award all services to a single franchisee. However, this allowance is made in the event that the Town cannot resolve the issue of the recycling payments with the County, which may preclude award of all services to a single franchisee.*

6. Question:

Is it the intent for the town to award the solid waste and recycling to one franchise contractor? If so will they receive the base payment of \$2.55 for recycling collection?

Answer: *Please see the answer to Questions 3 and 5 above.*

7. Question:

The initial term of the Indian River County contract expires 9/30/22; the Town's initial term is through 9/30/23, obviously exceeding the County contract by one year. Given this, please clarify the Town's basis for the \$2.55 pricing stipulation.

Answer: *Hopefully, the recycling collection payment will be solved before that time. However, the \$2.55 is based on the County assessment, not on the County's collection contract.*

*In the event that the amount of the recycling collection portion of the assessment is changed by the County, the Town would do a "special Circumstance" change to the contract (under **Article 9.***

Adjustments to Rates, sections 9.0 Change of Law) and the new County recycling collection charge would then become the Town's base price for curbside collection.

Please see the answer to Questions 3 and 5 above for more information about pricing residential curbside service.

8. Question:

Page 9 of 13 and Page 11 of 13: Page 9 outlines the evaluation rubric. However, page 11 lists additional evaluation criteria, such as alternates, subcontractors, and maintenance requirements. Could the Town please clarify how the criteria on page 11 is included in the rubric on page 9?

Answer: *The information on p. 11 of the RFP clarifies that these issues will be taken into consideration in the evaluation.*

9. Question:

Page 11 of 13: Is August 18, 2017 the proposal opening date?

Answer: *The due date, which is also the proposal opening date, has been extended to **Tuesday, August 22, 2017, by 2:00 pm.***

10. Question:

The RFP states that printed documents are available for a fee. Are electronic documents available at no charge?

Answer: *It is the Town's intent to post all relevant documents on the website, which are available at no charge.*

11. Question:

Exhibit 1, Page 3 of 5: States that John's Island and John's Island Beach do not have yard waste collection. However, the Town website lists additional neighborhoods. Please clarify which neighborhoods will not have curbside yard waste collection.

Answer: *The following neighborhoods have Yard Waste Service:*

- *Pebble Bay Estates*
- *Marbrisa*
- *Sea Forrest*
- *Indian Trails*
- *Holoma Drive*
- *Amy Ann Lane*
- *Beachcomber Lane*
- *Indian Lane*
- *Pebble Lane*
- *Reef Lane*
- *Sunrise Terrace*
- *Seawatch Lane*
- *Seminole Lane*
- *Surf Lane*

No other neighborhoods receive Yard Waste Service.

12. Question:

Exhibit 2: How many commercial containers require a more than 10-foot roll out?

Answer: *Please refer to the schematic on the website, called Additional Info (John's Island). The Town will allow a standard roll out charge and an excessive roll out charge, as shown on the file, **02 - Exhibit 2 - IRS Pricing Sheet – Revised**.*

*Please see file, **03 - CCSI Buildings-Footage from Refuse Storage Area to Collection Point**, posted on Town's web page, which lists the buildings on John's Island and the distances from container to collection point.*

The Town does not guarantee that this list is complete.

13. Question:

How often is the franchisee to bill residents? Monthly? Quarterly?

Answer: *Currently, the billing is for commercial and residential is quarterly. The Town expects the billing to continue to be quarterly.*

14. Question:

What is the process for delinquent accounts?

Answer: *This has never been a problem in Indian River Shores. There is no process for delinquent accounts. If any accounts were to become delinquent, however, the Franchisee may report this to the Town for consideration of assistance in resolving the issue. (Please see Addendum #1, Questions 3 and 4).*

15. Question:

Is the franchisee permitted to stop service due to non-payment?

Answer: *The franchisee is not permitted to stop service for residential accounts, but may stop service for commercial delinquent accounts. (Please see answer to Question 14 above and Addendum #1, Questions 3 and 4.)*

16. Question:

Why has the Town limited the annual rate adjustment to 75% of CPI?

Answer: *The purpose of limiting the rate adjustment to 75% of CPI is to keep the costs down for the residents and businesses in the Town.*

17. Question:

Will the Town consider an alternate index published by the U.S. Bureau of Labor Statistics that more closely aligns with industry costs and trends?

Answer: *No. The Town desires to continue to use the CPI index in the sample agreement.*

18. Question:

Rate Adjustments, would the town consider using the Water, Sewer, and Trash index instead of CPI? This index is relative to our industry.

Answer: *Please see answer to Question 17.*

19. Question:

Will the Town consider 100% of CPI if it will not consider an alternate index?

Answer: *No. The Town desires to retain 75% of the CPI as a basis for rate adjustments.*

20. Question:

Will the Town consider adding unusual cost language to the franchise agreement?

Answer: *In the sample agreement, **Article 9. Adjustments to Rates**, sections 9.0 Change of Law and 9.1 Limitation on Rate Change cover unusual costs. In addition, the last paragraph of 9.2 Annual Rate*

Adjustment addresses increases in tipping fees for Construction and Demolition Debris. The Town believes these are sufficient.

21. Question:

Who are the members of the selection committee that will make the award recommendation to the Town Council?

Answer: *The selection committee will be finalized on or around the proposal due date and will include the Town Manager, Town Treasurer, Town Public Works Director, a Town resident, and up to two additional Town staff members.*

22. Question:

Attachment A, page 3: Commercial collection service definition includes commercial solid waste, which includes bulk trash, trash, and yard waste service. Will franchisee be providing bulk trash and yard waste collection service to businesses, or is this intended only for multifamily properties that have commercial containers?

Answer: *The Franchisee may provide bulk trash and yard waste service to commercial businesses via roll-off container. Pricing for these services should be the same as for refuse (i.e., pull charge plus pass-through of the disposal or processing cost).*

23. Question:

If businesses are to receive bulk trash and yard waste collection service, will the franchisee be providing containers for this service and bill same commercial cubic yardage rate?

Answer: *Yes. The rates will be as on the pricing form (02 - Exhibit 2 - IRS Pricing Sheet - Revised).*

24. Question:

There does not seem to be a requirement for the franchisee to pay franchise fees to the Town. Is this correct?

Answer: *This is correct. Currently, there is no franchise fee. In the event that franchise fees are established in the future, rate changes associated with such franchise fees would be covered under section 9.0 Change in Law of the agreement.*

25. Question

Does the current hauler pay franchise fees to the Town? If so, could the Town please provide 3-months documentation of the franchise fees paid?

Answer: *Currently, there is no franchise fee. Therefore, the current hauler does not pay any franchise fees to the Town.*

26. Question:

The Town will issue its final addendum on August 4, leaving only 2 weeks for proposers to respond to a very complex level of service. In order for proposers to effectively evaluate the Town's response to

questions, and develop a thorough, conscientious proposal, would the Town consider an extension to the August 18 proposal due date?

Answer: *The proposal due date has been extended to **Tuesday, August 22, 2017, by 2:00 pm.***

27. Question:

Attachment A. 2.42. Please change the definition of Solid Waste in regards to Sludge.

Answer: *Strike sections A. 2.41 (definition of Sludge) and 2.42 (definition of Solid Waste) in the sample agreement. Residential Solid Waste and Commercial Solid Waste are already defined in Attachment A.*

28. Question:

Exhibit 2 Roll off collection services, please clarify that the franchise contractor can charge rental after thirty days of inactivity. Should that rate be a daily or monthly charge after the first thirty days?

Answer: *Yes, the Franchisee may charge rental after thirty days of inactivity. Please enter monthly rental on **02 - Exhibit 2 - IRS Pricing Sheet - Revised**, but, in practice, Franchisee may bill on a prorated basis by day or week.*

29. Question:

Attachment A. 2.14. If the concrete is clean, the Florida Statue classifies it as a recovered material, which cannot be flow controlled.

Answer: *Source-separated, clean concrete is not covered by this Agreement.*

30. Question:

Recovered Materials. Page 10, Section 3.3 of Agreement: You may want to seek clarity on this point but based on this section, any persons could collect and process Recovered materials from commercial customers.

Answer: *Source-separated commercial recyclable material is not covered by this Agreement.*

31. Question:

Title to Waste. Page 10, Section 4.0 of the Agreement: This Agreement provides that we take title once it's placed curbside. We should push back here. We should not take title until we place it in our vehicles. Would the Town modify to reflect that and would the Town add the following language: "Title to and liability for any Unacceptable Waste shall at no time pass to Contractor."

Answer: *Section 4.0 of the sample agreement is modified to say:*

Article 4. Title to Solid Waste and Recyclable Materials

4.0 Title. After Residential Solid Waste, Commercial Solid Waste, Recovered Materials, and Recyclable Materials are placed ~~at a Curbside Collection Point or any other approved location for collection~~ in a collection vehicle by Franchisee within the Town, Franchisee shall hold title and ownership to all such materials. Franchisee shall have no right to take, keep, process, alter, remove or otherwise dispose of any such materials, except that which Franchisee shall have the

right and obligation to transport all such materials to the County Landfill or Materials Recovery Facility, or such disposal or recycling facility designated by the Town. However, Franchisee shall not have the sole responsibility and liability for the lawful disposal of any Biological Waste, Biomedical Waste, or Hazardous Waste that Franchisee Collects. Franchisee shall refuse to collect any Biological Waste, Biomedical Waste or Hazardous Waste and such refusal shall result in the Customer's obligation to dispose of such waste.

Please note that the Town considers the last two sentences of the paragraph to cover the concern for liability for Unacceptable Waste.

32. Question:

Attachment B, A 4. Is it the intent of the town to have the franchise contractor change out their trucks every three and one half years? Please clarify either seven years for the fleet age or fleet requirements must not be more than three and a half years at the beginning every contract year.

Answer: *Please see Addendum #1, Question 2.*

33. Question:

Recovered Materials. Page 10, Section 3.3 of Agreement: Please clarify that all recyclables are flow controlled to SWDD of Indian River County.

Answer: *All recyclables are to go to the Solid Waste Disposal District's Materials Processing Center, located at the Indian River County Landfill. All yard waste is to go to the Solid Waste District's yard waste disposal site, located at the Indian River County Landfill.*

34. Question:

Page 5 of 13 of RFP, C and Attachment B, E. Please clarify as to what is the intent of the town when it refers to holiday pick up schedules

Answer: *Attachment B. Scope of Services, page 2, E. Days and Hours of Residential and Commercial Collection Services, describes holiday collection correctly. The catch-up day for a holiday is the next regularly scheduled collection day.*

35. Question:

Attachment A, Page 15. Will the franchise contractor be responsible to pick up storm debris and if so will we need to provide a separate rate for those services? (MSW and Yard Waste)

Answer: *Franchisee will not be responsible to pick up storm debris except in the case of incidental amounts of debris that may get set out with regular refuse and yard waste set-outs after official storm debris clean-up has concluded. In addition, customers may opt to use roll off service, as specified in this contract.*

In addition, please note the following modification to the RFP and sample agreement:

1. IV. D. 7 of the RFP (page 7) is modified to say:
 - f. Description of your Implementation Plan for this contract. This plan should reflect sufficient due diligence, including auditing of current collection routes, customer surveys, and other methods needed to identify service level needs for all existing customers.

2. The following definition is added to **Article 2. Definition and Interpretations:**
 - 2.51 **Unacceptable Solid Waste** shall mean Biological Waste; Biomedical Waste; Hazardous Waste, other than acceptable household hazardous waste; Freon-containing devices, Recyclables or Recyclable Material; Special waste; and grease, medical and Hazardous Waste generated by commercial customers.

Pricing Form Example

Supplemental example of how to complete the **02 - Exhibit 2 - IRS Pricing Sheet - Revised** for Residential Refuse, Recycling, and Yard Waste Collection (all amounts are strictly for purposes of illustrating how to populate the form and do not reflect any assumption about actual or likely bid prices).

If the form is filled out as shown below:

Base Price Per Unit (\$/Mo)		
(A) 2x/wk Curbside Refuse	(B) 1x/wk Curbside Recycling	(C) Total Price (A+B)
\$ 5.00	\$ 3.00	\$ 8.00

Premium Services Incremental Price Per Unit (\$/Mo)		
Service	Description	<u>Incremental Price (to be added to Base Price)</u>
2x/wk <u>In-Ground</u> Refuse Collection	In-ground containers are typically located on the side of the property but may also be located in the back yard or front yard.	\$ 3.00
2x/wk <u>Back Door / Garage Refuse</u> Collection	Containers are typically placed in front of the garage; some may be by the back door.	\$ 5.00
1x/wk <u>Curbside Recycling Collection in a cart</u>	Convert from bins to carts	\$ 0.50
1x/wk <u>Back Door / Garage Recycling</u> Collection	Containers are typically placed in front of the garage or side yard.	\$ 2.00
1x/wk <u>Curbside Yard Waste</u> Collection	All bundles and containers are placed curbside.	\$ 3.50

This translates into the rates you are bidding as shown below:

Service	<u>Total Monthly Price Charged to Customer</u>
Baseline Service	\$ 8.00
Baseline Service + 2x/wk <u>In-Ground Refuse Collection</u>	\$ 11.00
Baseline Service + 2x/wk <u>Back Door / Garage Refuse Collection</u>	\$ 13.00
Baseline Service + 1x/wk <u>Curbside Recycling Collection in a cart</u>	\$ 8.50
Baseline Service + 1x/wk <u>Back Door / Garage Recycling Collection</u>	\$ 10.00
Baseline Service + 1x/wk <u>Curbside Yard Waste Collection</u>	\$ 11.50
Baseline Service + 2x/wk <u>In-Ground Refuse Collection</u> + 1x/wk <u>Back Door / Garage Recycling Collection</u> + 1x/wk <u>Curbside Yard Waste Collection</u>	\$16.50