

ADDENDUM NO.2
Solid Waste Collection and Processing Services
Invitation to Bid: 14-009

To All Bidders:

The following information is provided in accordance with ITB No. 14-009, Solid Waste Collection and Processing Services, as fully and as completely as if the same were fully set forth therein.

SUBMITTALS ARE DUE WEDNESDAY MARCH 5, 2014 AT 3:30 P.M.

This addendum is issued in response to questions received regarding the RFP timeline, and includes answers to the questions.

Attachments to this addenda include:

- A. Commercial Customer List
- B. Transfer Station Job Descriptions
- C. WM Collection Contract

QUESTIONS AND RESPONSES:

1. If we were to propose a contract specific joint venture, between two established and experienced solid waste collection companies, to respond to the City of Key West ITB would the City accept the recent and relevant experience of the two joint venture parent companies to achieve the Minimum Qualifications outlined in 4.1 of the ITB? Further, if the City would accept the experience of the parent companies would both companies need to have all the required experience, or could one company have one qualifying type of experience and the other have another? e.g. one have the commercial experience required and the other the residential experience required?

RESPONSE: The City will accept combined recent and relevant experience of joint venture parent companies for the purposes of meeting minimum qualifications. However, the prime respondent, which may be a joint venture, will be held responsible for meeting all contracted service requirements.

2. Section 4.1 (c) states: Bidder shall have successfully provided exclusive commercial collection service to at least two (2) local governments within the past five (5) years. Would the City accept exclusive commercial collection services provided on Federal Government installations (military bases), in lieu of experience providing these services to local governments, as responsive and responsible qualifying experience?

RESPONSE: The City will accept collection services provided to Federal Government installations to demonstrate meeting minimum qualifications. If these services are intended to demonstrate residential collection experience, service to housing units must be included.

3. Would the City of Key West accept the experience of a proposed subcontractor as recent and relevant experience to qualify the Bidder as responsive and responsible under 4.1 of the ITB. i.e.

If a Bidder have sufficient residential collection service experience could it rely upon the commercial collection experience of its sub-contractor for it to be qualified as a responsive and responsible Bidder under 4.1 of the ITB?

RESPONSE: The City will accept the recent and relevant experience of a proposed subcontractor as recent and relevant experience for the purposes of meeting minimum qualifications. However, the prime respondent, will be held responsible for meeting all contracted service requirements.

4. Page 9 Section 3.1 Contract Term: "The City will consider the Contractor's performance when deliberating renewal, including complaint history, achievement of commercial recycling targets, and participation by the Contractor in community partnership activities that promote waste diversion". How will these performances be measured? What are the criteria to meet performance? Additionally, if commercial recycling is not exclusive, will individual commercial recycling accounts be measured or will the accounts be measured as a whole?

RESPONSE: Commercial recycling targets are specified in Article 13.2 of the Draft Contract in Attachment A of the RFP. The percentage of commercial customers that receive single stream recycling collection service will be measured by the total commercial customers that are provided this service by the Contractor divided by the total commercial customers provided solid waste collection service. Other performance criteria will be considered and evaluated at the City's discretion.

5. Page 10 Section 3.2 curbside residential service option 1 item c- yard waste to be collected in resident provided containers. This section does not require handles on the resident provided containers, can the city require handles on the containers to facilitate safe handling of the containers. Since yard waste will be collected in customer owned containers will these containers be required to be equipped with RFID tags so that the city can verify service?

RESPONSE: The City does not anticipate requiring handles on resident-provided containers; however, the Contractor is within its rights to observe standard safety practices including non-collection of overweight containers. Customer-owned containers will not be equipped with RFID.

6. Page 10 Section 3.2 curbside residential service option 1 item d- can you clarify what is considered excessive amounts of bulk.

RESPONSE: The fourth and fifth sentences of Article 5.2.4 of Attachment A are revised as follows: "Collection of Bulk Waste exceeding two cubic yards per set out may be provided at the fee specified in Exhibit 1, and shall be considered a Special Service. The Contractor is responsible for the billing and receipt of fees for Special Service, which are inclusive of disposal." Proposers should note Special Service fees are inclusive of disposal and the Contractor will be required to pay tipping fees for Special Service wastes delivered to the City Transfer Station.

7. Bid documents call for all brand new vehicles, can you clarify this requirement, is a 2012 or 2013 model truck considered new? Also if the incumbent is awarded the contract will they have to purchase new vehicles for residential and commercial services?

RESPONSE: New vehicles are required for both residential and commercial service and are defined as vehicles that have never been placed into service.

8. Page 11 Section 3.4 Non-Exclusive Collection Services: "Residential customers may place small amounts of containerized C&D Debris". Can you define 'small'?

RESPONSE: "Small amounts" are defined as amounts able to be placed into a single 96-gallon cart and not including dirt, rocks, or sand.

9. Will a unit count be done to confirm the actual number of units to be serviced? Will count be done by city and or contractor?

RESPONSE: A City-generated unit count will be provided to the Contractor.

10. Page 12 section 3.10 yard waste processing- this section states that yard waste shall be processed for beneficial reuse, can you define beneficial reuse. Would utilizing yard waste for cover at landfills, disposal in landfills with gas to energy plants, and use as a process fuel to produce energy be acceptable? Will the approved beneficial reuse of yard waste that is acceptable by the State of Florida DEP be recognized by the city?

RESPONSE: As stated in Article 11.2.1 of the Draft Contract in Attachment A of the RFP, for the purposes of this contract, beneficial reuse excludes use as landfill cover or fuel.

11. Page 12 Section 3.10 Recyclables, White Goods, and Yard Waste Processing Services: Will there be enforcement in place to eliminate White Goods scavengers? How will this enforcement work.

RESPONSE: The City of Key West Code Compliance Department will be enforcing the current City ordinance as needed.

12. Page 14 Section 4.1 Minimum Qualifications, subsection k: Bidder is required to meet the objectives of the Solid Waste Master Plan. What if the objectives are not met or are not cost effective for the city.

RESPONSE: As stated in the referenced section, Bidder shall pledge its commitment to be an active partner with the City in complying with and meeting the objectives of the Master Plan. As further stated in this section, the City intends to consider this partnership as a measure of performance history when considering contract renewal or any potential contract amendments.

13. Page Section. 4.4 – Indemnity – The indemnity provision here does not match the indemnity set forth in Indemnification Form on page 26 that provides an exception for claims arising from the negligence of the City. Please clarify

RESPONSE: The Indemnification Form shall prevail.

14. Page 15 – Sec. 4.5 – Local Preference – The provision references Section 2-798 of the City Code for the requirements regarding local preference. However, page 27. Local Vendor Certification fails to replicate all the terms of the code section by deleting the allowance for having an office within 30 miles of the City despite having a different principal address on the Florida Department of State's records. Can the City revise the Certification to comply with the applicable Code section?

RESPONSE: Section 2-798 of the City Code shall prevail.

15. Page 18 submission forms minimum qualifications & references form- if no HHW is provided in a municipal contract that we currently service and provide as reference will we be disqualified for this.

RESPONSE: No; however, providing at least one reference with HHW service is suggested.

16. Page 21 financial capability, we are a public company will our annual certified report be sufficient for this requirement.

RESPONSE: Yes, although as stated in the ITB, the City has the right to request additional information of bidders.

17. Can the city supply how many commercial front load containers and commercial rear load containers are used for commercial collection?

RESPONSE: The unit counts provided on page 3 of the Price Form are the City's best estimate of the number of commercial containers. Container estimates are provided for bid purposes only and are subject to change.

18. How many commercial front load and rear load containers need to be pulled out or rolled out of commercial account location in order to be serviced.

RESPONSE: The City does not have this information available.

19. If two companies bid both the residential collection and the transfer station operation will the city chose the entity with the lowest combined rate for both or will the lowest residential rate be selected?

RESPONSE: As stated in Section 1.11 (page 6) of the ITB, inclusion of transfer station operation in the contract will be a policy decision made by the City Commission based on what is deemed to be in the City's best interest. If transfer station operation is not included, then the pricing on line 9 or 10 (depending on the residential service option selected by the City, which also will be a policy decision) of page 1 of the Price Form will be utilized to evaluate lowest-priced bidder. If transfer station operation is included in the contract, then the pricing on line 11 or 12 (again depending on the residential service option selected) will be utilized to evaluate lowest-priced bidder.

20. If a company just bids the collection and another company bids both collection and transfer station how will the selection be determined?

RESPONSE: See response to question 19. The City will review all pricing for both residential service options and with and without inclusion of transfer station operation when making policy decisions regarding which service option to select and whether transfer station operation will be included in the contract. As stated in Section 1.11 (page 6) of the ITB, once the City Commission makes those policy decisions, the contract will be awarded to the responsive and responsible bidder offering the lowest combined pricing for the selected services.

21. If city chooses 2-1-1 service but does not allow for Saturday collection can all the yard waste be collected on Wednesday? The reason for the question is to allow for maximum efficiency of the equipment, since the twice a week solid waste collection would have to be collected on Monday – Thursday or Tuesday – Friday and the trucks would be available on Wednesday.

RESPONSE: In the unlikely event the City returns to two trash collections per week, Saturday service will be allowed.

22. If the city chooses 2-1-1 service can the recycling be collected on one of the two collection days and the yard waste on the second collection day?

RESPONSE: Yes.

23. Draft Contract, Page 4 section 1.3- can you clarify the option to renew. Can you provide definitive, specific criteria for the renewal decision?

RESPONSE: See response to question 3.

24. Draft Contract, Page 5 section 2- bulk waste definitions, is yard waste or tree trimmings part of bulk waste. Is residential yard trash defined?

RESPONSE: Yard Waste is defined in Article 2 of the Draft Contract in Attachment A. As specified in Article 5.2.3 of the Draft Contract in Attachment A of the ITB, Yard Waste not meeting specifications provided may be collected as a Special Service. The fifth and sixth sentences of that article are revised as follows: "Collection of Yard Waste not meeting these requirements may be provided at the fee specified in Exhibit 1 with a minimum charge of seventy-five dollars (\$75.00), and shall be considered a Special Service. The Contractor is responsible for the billing and receipt of fees for Special Services, which are inclusive of disposal."

25. Draft Contract, Page 5 Article 2 Definitions – Does the City Representative possess final decision-making authority when contract decisions are at his/her discretion? What are the steps?

RESPONSE: Yes. Refer to Article 16.5 of the Draft Contract in Attachment A for information regarding arbitration.

26. Draft Contract, Page 7 Article 2 Definitions – Can you define the specific amount when referring to "incidental amounts of Rejects and non-designated materials"?

RESPONSE: It means typical amounts of non-recyclable materials that are to be expected when collecting municipal recyclables.

27. Draft Contract, Page 7 definitions – Residential unit, please clarify motel, hotel, and guest house (beachside, parrot key).

RESPONSE: The definition clearly states that motels, hotels, and guest houses that otherwise meet the definition of Residential Unit but are rented for durations less than weekly shall be considered Commercial Units. Bidders should be aware that hotel and motels may convert to units that meet the definition of Residential Units, and vice versa.

28. Draft Contract, Page 7 – Recovered Materials definition – The definition provides that recovered materials are recyclable materials that have been "processed to meet market specifications". This definition conflicts with the statutory definition found at FS 403.703. Please clarify. Will the state definition of recovered materials be used?

RESPONSE: The definition of Recovered Materials is revised as follows: "For the purposes of this contract, recovered materials shall mean Recyclable Materials that have been processed to market specifications."

29. Draft Contract, Page 8 Article 2 Definitions: Can the definition of Residue include contamination? Can contamination also be included in the list of definitions?

RESPONSE: No, contaminants, or non-recyclables materials, are considered Rejects, not Residue. As stated, Residue consists of Recyclable Materials that are not converted to Recovered Materials due to breakage and/or transportation or processing inefficiencies. The term "contamination" as used in the formula to calculate the Average Market Value (AMV) refers to Rejects, not Residue. As stated in item 1 on page 6 of the Price Form, the AMV formula does not attempt to estimate or include Residue, now or in the future. Bidders should take this into consideration, along with their personal knowledge of processing efficiencies at the materials recovery facility they plan to utilize, when bidding recycling revenue.

30. Draft Contract, Page 8 section 3.1.1 how will city enforce scrappers from scavenging items out of the materials that are set out for collection.

RESPONSE: *The City of Key West Code Compliance Department will be enforcing the current City ordinance as needed.*

31. Draft Contract, Page 10 Section 4.2.3 Transition Prior to the Expiration of Collection Routes: Who will negotiate the price?

RESPONSE: *The price will be negotiated between the current contractor and the incoming contractor.*

32. Draft Contract, Page 11, Section 5.2.4 Residential Collection Service: Can “large amounts” be specifically defined?

RESPONSE: *See response to question 6.*

33. Draft Contract, Page 11 section 5.2.1- if a resident puts out their own garbage container does this container need a RFID tag. Also what if a resident does not set out the city provided cart with the RFID tag but sets out their own container, the contractor will not be able to verify service and the service that is provided will not count towards any of the metrics.

RESPONSE: *Resident-owned trash containers are not required to have RFID tags.*

34. Draft Contract, Page 12 section 5.3.1 in option #1 the days for residential collection are Monday – Friday, if the city chooses option #2 will we be allowed to work on Saturday. In option 2 do the bulk and yard waste services have to be on each collection day?

RESPONSE: *If the City chooses option #2, Saturday operations will be allowed and Yard Waste would need to be collected on one of the solid waste collection days. Collection of Bulk Waste would be as specified.*

35. Draft Contract, Page 13 section 6.3- based on residential hours of operation from 4:00 AM – 4:00 PM and commercial hours of operation from 7:00 PM – 8:00 AM, it appears that the transfer station must be open to accept material for 21 hours per day. What are the hours of operation for the transfer station?

RESPONSE: *The Contractor is allowed to collect residential and commercial waste within the specified hours, but is required to deliver materials to the City Transfer Station during normal operating hours, which currently are 6:00 am to 3:30 pm Monday through Friday and 6:00 am to 1:30 pm on Saturday. Article 6.3.1 of the Draft Contract in Attachment A is revised as follows: “Commercial Collection Services shall be provided between the hours of 2:00 a.m. and 6:00 p.m. on Monday through Sunday except as provided herein.”*

36. Draft Contract, Page 14 section 8.1.2 residential containers- does the contractor buy these bins with the RFID and what about future carts, who purchases them and what is the process.

RESPONSE: *The Contractor is responsible for purchasing Recycling Bins with RFID chips to distribute to residents with space restrictions who are unable to use Recycling Carts. We estimate that 700 recycling bins currently are in use. The City currently has an inventory of approximately 1,800 Recycling Carts, and anticipates an inventory of 500 Garbage Carts. As stated in Article 8.3.2 of the Draft Contract in Attachment A, if the City-provided inventory is depleted, the Contractor shall be responsible for providing additional Garbage and Recycling Carts as needed.*

37. Draft Contract, Page 14 section 8.1.6- does the city have an inventory of different size carts. What are the different sizes?

RESPONSE: See response to questions 36. Prior to the start of the new contract, the City will be purchasing Garbage Carts, including an inventory of approximately 500 extra carts.

38. Draft Contract, Page 14 section 8.1.6c- is this fee for the collection of the cart, or for the cart itself. Who buys the cart, who gets the \$60 fee.

RESPONSE: Article 8.1.6.c of the Draft Contract in Attachment A is replaced with the following: Supply additional Garbage Cart(s) to curbside Residential Units for a one-time fee of eighty-five dollars (\$85.00) per Garbage Cart. Fifty-five dollars (\$55.00) of each fee collected shall be due the City, until such time as the City-provided inventory of Garbage Carts is depleted. Thereafter, the entire fee shall be retained by the Contractor. The Contractor shall be responsible for the billing and receipt of said fee. "

Article 15.3.5.c of the Draft Contract in Attachment A now includes the following: "The portion of fees due the City for the provision of additional Garabge Carts as specified in Article 8.1.6.c."

39. Draft Contract, Page 15 section 8.2.2- commercial container exchanges must be made in 3 days. Is this 3 calendar days or 3 work days please clarify.

RESPONSE: Three (3) business days.

40. Draft Contract, Page 15 – Sec. 8.3.6 and 8.3.7 – These provisions require the contractor to repair or replace damaged carts. They make no provision for carts damaged by the abuse of the resident/customer. Will the city consider adding a provision that carts damaged by customer abuse shall be repaired or replaced at the cost of the customer? What about if the carts are lost or damaged due to a hurricane.

RESPONSE: The Contractor is responsible for repairing or replacing any lost or damaged carts due to any circumstance. If the Contractor can provide to the City definitive proof of a resident damaging a City-owned cart, the situation will be addressed on a case-by-case basis. In case of a natural disaster such as a hurricane, the City will be responsible for the cost of replacing damaged carts

41. Draft Contract, Page 16 section 9.1.1- is there a charge for commercial yard waste and commercial recycling delivered to city transfer station.

RESPONSE: There is no charge for commercial recycling delivered to the transfer station by a business. Regular tipping fees apply to commercial yard waste delivered to the transfer station.

42. Draft Contract, Page 16 section 9.3.1- requires contractor to provide service verification software that is compatible with RFID technology currently employed by the city. What is the current RFID program utilized by the city and who is the vendor.

RESPONSE: The RFID software currently employed by the City is Rehrig Penn Logistics Asset Tracking System Version 4.1.3.76. Service verification and asset management systems provided by the Contractor should be compatible with RFID tag specifications provided in Exhibit 4 of the Draft Contract, and should meet all requirements specified therein and in Draft Contract Article 9.3. Collection vehicles currently are not equipped with RFID readers; therefore, a service verification system currently is not in place.

43. Draft Contract, Page 17 Section 9.3.2 Service Verification System: Can you define what "Other information" will be requested by the City Representative?

RESPONSE: Other information may be requested by the City depending on the capabilities of the service verification system employed by the Contractor and information that might be useful for state or local reporting requirements or for tracking the Contractor's performance.

44. Draft Contract, Page 18 section 9.6.5- is the non collection notice to the city per address.

RESPONSE: Yes, Contractor shall report all addresses at which a non-collection notice was left.

45. Draft Contract, Page 19 Section 9.10.1 If new trucks are not available by contract start date due to back orders, can trucks be supplied by June 1, 2015 as long as we can provide proof that the new equipment has been ordered?

RESPONSE: The City intends to award a contract in sufficient time for the Contractor to acquire new vehicles. We understand that delays are possible and will consider extending the date on which new vehicles are required if the Contractor provides adequate documentation, including proof of an order being placed within thirty (30) days of contract award.

46. Draft Contract, Page 19 section 9.10- do spare trucks have to be new.

RESPONSE: Only frontline vehicles must be new; however, the Contractor must clearly designate which vehicles are frontline and which are spare, and shall notify the City Representative when a spare vehicle is being used.

47. Draft Contract, Page 19 section 9.10.6- is it acceptable to have signs on the side of the trucks, can they be on the front.

RESPONSE: This Article remains as stated.

48. Draft Contract, Page 21 section 11.2.1 if someone other than the contractor delivers yard waste and or recycling to the transfer station who will bear the cost of these materials.

RESPONSE: As stated in Article 11, the Contractor is responsible for processing all Recyclables, White Goods, and Yard Waste received at the City Transfer Station. As stated in Article 15.1.4, the Contractor shall be paid for transporting and processing Yard Waste. As is currently the case, Recyclables and White Goods shall be transported and processed at no cost to the City. As stated in Article 15.2, the Contractor shall remit payment to the City for residential Program Recyclables and all White Goods, but not for Recyclables received from other sources.

49. Draft Contract, Page 23 section 13 need to clarify dollar amount, what is the expected expense of this item, is there a cap.

RESPONSE: Bidder should have the experience and knowledge to be able to estimate the cost of printing and distributing the requested educational materials based on the estimated unit counts provided in the ITB and Price Form.

50. Draft Contract, Page 24 section 13.2.2 Commercial recycling program and target- can you please clarify this portion, if the commercial recycling is a non exclusive service option how can the contractor be accountable for recycling percentages. This section specifically states that the targets refer to percent of commercial customers receiving collection of single stream recyclables by the contractor compared to the total number of commercial customers receiving collection services. Will contractor get credit for other vendors or self haulers providing recycling collection?

RESPONSE: The City is not aware of any other vendors competing for recyclables in the City in any organized manner, nor do we anticipate any because of the City's geographic location. The number of self-haulers is negligible, and we would encourage the Contractor to approach these

businesses and offer them collection services. Therefore, the City does not anticipate any form of credit.

51. Draft Contract, Page 24 Section 13.2.4 Commercial Recycling Program and Targets: Is there a verification process before we have to remit penalties by the next month?

RESPONSE: *See response to question 3. As stated in Article 12.2.2, the Contractor is required to provide monthly a list of all Commercial Customers that received service that month, indicating the type of service received (solid waste and/or recycling collection), as well as a calculation of the commercial recycling participation rate. The City shall review and take whatever steps it deems necessary to verify this information, which may include inspecting the Contractor's records pursuant to Article 12.1.*

52. Draft Contract, Page 25 section 14.2.1-what happens if building is destroyed in a storm.

RESPONSE: *The City of Key West owns the City Transfer Station building and will be responsible for major repairs that may occur in a storm-related incident. The Contractor is responsible for routine maintenance and for keeping the building and grounds in good condition.*

53. Draft Contract, Page 27 section 14.7.2 material rejection – if the contractor determines that a load contains prohibited waste the contractor shall remove any prohibited waste and shall properly manage and dispose of such prohibited waste. Who pays for the disposal of prohibited waste.

RESPONSE: *As stated in Article 14.7.4, the City will bear the expense of disposing of any Hazardous Waste detected in a load of waste delivered to the City Transfer Station. In the unlikely case that some other type of Prohibited Waste is detected, the Contractor shall bear the cost of properly disposing of such Prohibited Waste.*

54. Draft Contract, Page 27 section 14.5.2- will there be a fee for commercial recycling at the transfer station. How will commercial recycling be handled?

RESPONSE: *See the responses to questions 41 and 48.*

55. Draft Contract, Page 32 section 16.2.2 Local Manager- does there have to be justification for this or steps in a process before the city asks for the removal of local manager. Is there an appeal process.

RESPONSE: *This is at the City's discretion and there is no appeal process.*

56. Draft Contract, Page 32 – Sec. 16.2.2 – Local Manager – This allows the City to remove the local manager on request. There are no objective criteria and no interim disciplinary steps/ warnings that must be taken before such action. Will the City consider modifying this provision to provide such interim steps?

RESPONSE: *See response to question 55.*

57. Draft Contract, Page 33 Section 16.4 Liquidated Damages subsections g and h: What are the criteria for a "legitimate" complaint?

RESPONSE: *As stated in Article 10.1.1, a complaint shall be considered legitimate unless the Contractor provides satisfactory evidence to the City that the complaint occurred through no fault of the Contractor.*

58. Draft Contract, Page 33 – Sec. 16.5 – Arbitration – Disputes for arbitration do not include breach of the contract. Please clarify. Does this mean that any dispute that could be considered a breach of a term/provision of the contract is excluded from the arbitration process?

RESPONSE: Yes. Breach of Contract is explained in section 18.3, page 35 of the contract.

59. Draft Contract, Page 34 section 18.1 please clarify this appears to make this a 2 year contract. With the large capital investment of new containers, RFID electronic readers in every truck, RFID tracking software, new CNG collection vehicles and CNG infrastructure construction of CNG fueling station some of these capital items can not be moved to another location if the termination for convenience after 2 years remains in the contract then all cost associated with these capital improvements will have to be front loaded in the pricing for the first 2 years. Will city consider removing this language and retain the language on termination for cause or material breach?

RESPONSE: This is a termination clause. The term of the contract is 7 years as stated in section 1.2, page 4 of the contract.

60. Draft Contract, Page 34 section 18.3.1- this section states that within 7 days after receipt of written notice, if the breaching party fails to cure the default..... Please clarify due to the fact that section 18.2 states that the breaching party has 30 days to cure. Both sections seem to state different things.

RESPONSE: The first sentence of Section 18.3.1 will be amended to read, “ Within thirty (30) days after receipt of written notice, if the breaching party fails to cure the default or breach, the City Representative shall notify the City Manager and a public hearing shall be set for a date within fifteen (15) days of such notice.”

61. Draft Contract, Page 42 please explain fuel calculations and what vehicles does this apply to, also clarify the record keeping. Does this formula apply to CNG fueled trucks? What fuel index is used for CNG?

RESPONSE: Fuel adjustments apply to the collection fee component of service rates and are formula-based as specified Exhibit 2. If the Contractor utilizes CNG collection vehicles, the exhibit will be revised accordingly. In such case, the Fuel Index will be the Henry Hub Gulf Coast Natural Gas Spot Price (dollars per million BTU/7.17 dge), provided by the U.S. Energy Information Administration and accessible at: <http://www.eia.gov/dnav/ng/hist/rngwhhdd.htm>

62. Draft Contract, Page 43 exhibit 3 recyclable revenue, do we deduct self-haulers tons & charge the \$80 per ton fee.

RESPONSE: No. As stated, Exhibit 3 applies only to Program Recyclables collected from Residential Units. As is currently the case, the Contractor is required to transport and process all Recyclable Materials received at the City Transfer Station at no cost to the City. Under the new contract , the Contractor will remit revenue to the City for Program Recyclables collected from Residential Units, but is not required to remit revenue to the City for any other Recyclable Materials, with the exception of White Goods.

63. Draft Contract, Page 43 – Exhibit 3 – Recyclables Revenue – There is no provision for adjustment of the \$80 per ton processing fee for changes in the CPI. Will the City consider same?

RESPONSE: Exhibit 2 of the Draft Contract in Attachment A is revised as follows: “Beginning October 1, 2015 and the same date of each subsequent year during the term of the Contract

excluding the final Contract year, the collection component of service rates and the Contractor's Fee used in determining Recyclables revenue shall be adjusted as follows."

Exhibit 3 A.2 of the Draft Contract in Attachment A is revised as follows: "A Contractor's Fee of eighty dollars (\$80.00) per Ton shall be deducted from the AMV. This fee shall be adjusted annually as specified Exhibit 2.a-d."

64. Draft Contract, Page 45 White Goods- why is it not based on outbound material. Suppose there is difference between inbound and outbound.

RESPONSE: *We do not anticipate a difference between inbound and outbound occurring.*

65. Draft Contract, Page 46 exhibit 4 container specifications- Are these specs standard or are these specs manufacturer specific.

RESPONSE: *They are standard specifications.*

66. Is the Key West housing authority part of this bid, it is not addressed in the bid documents or sample contract.

RESPONSE: *The Key West Housing Authority is included in residential unit counts in the bid. The Contractor will be paid the same rate for Key West Housing Authority units as it is for any other Residential Unit.*

67. When is the city planning on delivery of the new solid waste carts?

RESPONSE: *Prior to January 1, 2015.*

68. If cart inventory runs out who is responsible for purchasing additional inventory?

RESPONSE: *As stated in Article 8.3.2 of the Draft Contract in Attachment A, the Contractor is responsible for replenishing and maintaining an adequate inventory of Garbage Carts and Recycling Carts and Bins when the City-provided inventory is depleted.*

69. How many additional carts will city be ordering on the initial order to keep as inventory stock?

RESPONSE: *See responses to questions 36 and 37.*

70. Will the City of Key West consider an extension of two weeks for submittal of proposals?
Rationale: Bidders are allowed to submit questions to the City, seeking information they may need to submit a fully responsive proposal, or for clarification of RFP provisions. However, under the current schedule, the period between the date when the City's answers are due and the deadline for submittal of proposals is short. More time (at least 2 additional weeks) is needed to allow bidders to digest and utilize information supplied in the City's answers, to assure that the proposals submitted to the City are thorough and offer a meaningful choice to the City. If proposals are rushed to completion without sufficient time to consider the information provided through the Q&A process, one prospective bidder (the current franchisee) will have an undue advantage because it possesses information that other bidders would have to obtain by submitting questions. A short delay will not hamper the successful bidder's ability to be "ready to roll" by the January 2015 effective date of the new contract.

RESPONSE: *The revised due date for submittals is Wednesday, March 5th at 3:30 p.m.*

71. Paragraph 3.10 page 12 titled "Recyclables, White Goods, and yard Waste Processing Services", states: "The Contractor shall be responsible for the processing of all Recyclables, White Goods and Yard Waste collected pursuant to the Contract and/or received at the City Transfer Station...., The Contractor shall be responsible for all costs associated with processing

transporting and marketing of said materials". The City operates the Transfer Station and another entity (The Hauler) is responsible for the "haul out" of the debris to the mainland. What are the respective responsibilities of the Contractor, the City (as Transfer Station operator) and the hauler with respect to Recyclables, White Goods and yard Waste after delivered to the City Transfer Station?

RESPONSE: The Contractor's responsibilities regarding processing Recyclables, White Goods, and Yard Waste are outlined in Article 11 of the Draft Contract in Attachment A of the ITB. If the City chooses to continue operating the City Transfer Station, the City will load transfer trailers as appropriate. If the City decides to privatize operation of the City Transfer Station, then the Contractor will be responsible for receipt and loading of all materials at the facility, as outlined in Article 14 of the Draft Contract. The company that transports and disposes of solid waste for the City will have no responsibilities related to Recyclables, White Goods, or Yard Waste.

72. Please clarify the requirement for "newness" of the equipment. Would the City accept service from the contractor with trucks that were less than three (3) years old or would the equipment be required to be "Brand new"?

RESPONSE: See response to question 7.

73. Will the City provide a current Commercial Customer List?

RESPONSE: A recent commercial customer list is provided in Attachment A to this Addenda.

74. Will the City provide a list of the number of containers by size and frequency for the commercial customers currently in place?

RESPONSE: See response to questions 17 and 73.

75. Will the City provide a list or number of residential units that require "Door – Side or Back Door" service?

RESPONSE: The City does not have this information available, though the number of residential units utilizing door-side service is expected to be small.

76. Paragraph 4.9 on page 16 of the ITB it states that franchise fees for 2014 will be \$1,300 but are subject to increase in future years. (a) Will the City agree to place a cap on such future increases? (b) Please specify the criteria upon which future increases will be based.

RESPONSE: This is the fee for a City of Key West Business License, not a franchise fee. These fees are established by ordinance passed by the City Commission. For more information, see <http://www.keywestcity.com/departments/division.php?structureid=27>.

77. Please provide the following data for current staffing of the City Transfer Station: job description for each employment category, number of employees in each category, and pay level/range for each category.

RESPONSE: Provided below is the current staffing and salary ranges. Job descriptions are provided in Attachment B.

*Transit Station Supervisor (Grade N 29; salary range \$18.0202-\$28.9359/hour) - One employee
Transfer Station Mechanic (G 27; salary range \$16.9599-\$27.1020/hour) - One employee
Scale Tipping Floor Attendant (G 21; salary range \$14.1839-\$22.0334) - Two employees
Transfer Station Operator (G 21; salary range as above) - Two employees*

78. Page 3, Section 1.1. Purpose: Can the successful bidder subcontract the collection of bulk waste to company that specializes in this type of waste collection?

RESPONSE: Yes, subject to approval by the City. Bidder should identify any and all subcontractors. Additionally, the Contractor is fully responsible for any and all services provided by a subcontractor.

79. Page 4, Section 1.4 Bid Format: In the third paragraph, it states “Additional information shall not exceed twenty (20) pages in total.” Does this requirement apply to 20 pages for each section or form submitted or is this for all sections and forms combined?

RESPONSE: It refers to information provided in addition to the required forms. The City will make an exception for financial reports that might be submitted to document financial capability.

80. Page 6, Section 1.11 Bid Review and Contract Award: Will commercial pricing be included in the evaluation of bidders for award?

RESPONSE: Yes, see response to questions 19 and 20.

81. Page 7, Section 2.1 Collection Services: How many multi-family units share carts?

RESPONSE: The City does not have this information available; however, the City distributed 10,680 Recycling Carts, and estimates approximately 700 Recycling Bins are in use. The Residential Unit count provided for bidding purposes is 13,639.

82. Page 9, Section 3.2 Residential Collection Service, Curbside Service Option 1 & 2: Can the City please confirm if Residential Garbage Carts will be provided by the City?

RESPONSE: See response to question 37 and Article 8.1.1 of the Draft Contract in Attachment A of the ITB.

83. Page 9, Section 3.2 Residential Collection Service, Curbside Service Option 1 & 2: Can the City please clarify who will conduct the initial distribution of Residential Garbage Carts?

RESPONSE: See Article 8.1.1 of the Draft Contract in Attachment A of the ITB.

84. Page 9, Section 3.2 Residential Collection Service, Curbside Service Option 1 & 2: Can the City please confirm if the successful bidder will be responsible for replacing Residential Garbage Carts after the initial distribution is completed?

RESPONSE: See responses to questions 36 and 37 and Article 8.3.2 of the Draft Contract in Attachment A of the ITB.

85. Page 10, Section 3.2 Residential Collection Service, Curbside Service Option 2: Does the successful bidder have the option to set collection days for option 2?

RESPONSE: Yes, with the City's approval.

86. Page 11, Section 3.3 Commercial Collection Service: Can the City please provide a listing of commercial customers, including a container inventory per customer based on size and frequency of service?

RESPONSE: See responses to questions 73 and 74.

87. Page 11, Section 3.5 Additional Collection Services: Can the successful bidder subcontract for the handling and disposal of HHW/E-Waste to a licensed, nationally recognized company?

RESPONSE: Yes, subject to approval by the City. Bidder should identify any and all subcontractors. Additionally, the Contractor is fully responsible for any and all services provided by a subcontractor.

88. Page 11, Section 3.7 Service Verification System: Can the City please confirm that there is no RFID requirement on Commercial Solid Waste Collection Service and on Commercial Recycling Collection Service?

RESPONSE: The City is not requiring RFID on commercial containers; however, the Contractor may elect to equip commercial containers with RFID.

89. Page 11, Section 3.7 Service Verification System: Can the City please provide the name of cart supplier and RFID chip manufacturer?

RESPONSE: The recycling carts and RFID chips were purchased from Rehrig Pacific Company. The City will purchase Garabge Carts with RFID chips that meet the specifications provided in Exhibit 4 of the Draft Contract in Exhibit A.

90. Page, 11, Section 3.7 Service Verification System: Is it a required part of the Service Verification System that it have an asset management system within the application? While Progressive has an RFID service verification system, the asset management system is not a component of that application but is integrated to our back office environment through web based services that update that application monitoring the movement of containers. Both applications have web interfaces and would be accessible to the city.

RESPONSE: This is acceptable as long as the asset management system is fully accessible to the City, capable of incorporating the City's current information regarding Recycling Carts, and capable of transferring all asset management information to the City at the end of the Contract. See Article 9.3 of the Draft Contract in Attachment A of the ITB for additional details regarding requirements for the service verification system.

91. Page, 11, Section 3.7 Service Verification System: In what format will the customer data be delivered to the contractor?

RESPONSE: Customer lists will be provided in Excel. Transmission of asset management data will be addressed during transition planning.

92. Page, 11, Section 3.7 Service Verification System: What will be the common link for the city provided data, folio Id or tax roll number?

RESPONSE: Residential customer lists are developed using non-ad valorem assessment data. Should changes in the residential customer list during the course of the year, the City will notify the Contractor.

93. Page, 11, Section 3.7 Service Verification System: Can the city please provide GIS layer information for use by the contractor for routing development?

RESPONSE: This information is not available to the City at this time.

94. Page, 11, Section 3.7 Service Verification System: What will be the mechanism for keeping data up to date for the city customers and the delivery of said data to the contractor? (New Accounts)

RESPONSE: See Article 5.1.1 of the Draft Contract in Attachment A of the ITB.

95. Page 12, Section 3.8 Collection Services Billing: Does the 13,639 residential units that are billed fluctuate with seasonality? Are services to these units stopped or suspended during various periods of the year?

RESPONSE: *There are no seasonal fluctuations in billing. Residents are billed on the property tax rolls for the entire year. When seasonal residents are not in town, there will be slightly less material for collection.*

96. Draft Contract, Page 13, Section 7.2 Special Event Services: What are the numbers of special events that the successful bidder will be required to service?

RESPONSE: *The City estimates 60-80 special events per year. The Contractor may not be asked to provide service at all events.*

97. Draft Contract, Page 15, Section 8.3.7 Container Storage, Maintenance, Repair, and Replacement: Can the City please provide clarification as to why the Contractor would bear the cost of all of the carts if this is an asset of the City? Would the contractor not be entitled to bill for said services and repairs? It is understood that commercial containers that would be supplied by the contractor would not qualify, could the City please provide clarification on the cart maintenance costs?

RESPONSE: *The Recycling Carts were purchased in July 2013 and are warranted for 10 years. The City will purchase Garbage Carts, which will have a similar warranty, for the start of the new contract and will purchase an extra inventory of approximately 500 carts. The Contractor shall be responsible for warranty recovery and for the cost of any maintenance, repair, or replacement costs not covered by the warranty. The City believes this is fair and provides the Contractor with an incentive to properly handle the carts.*

98. Draft Contract, Page 16, Section 9.3.1 Service Verification System: Can the City please clarify the reporting mechanism for delivery of the required reports? Is this through direct access to the contractors systems via a portal using standard system reports or is the City looking for a customized web based system per specific specifications for report formats?

RESPONSE: *A portal to standard system reports is acceptable as long as the information requested is provided and the system can generate hard copy reports if needed.*

99. Draft Contract, Page 18, Section 9.6.5 Non-Collection Procedures & Section 9.7.2 Missed Collection: Can the City please clarify how the electronic delivery of the required reports in section 9.6.5 and 9.7.2 shall be delivered? Is it as simple as via email or is a special reporting interface or service required? We could assume that it is email as outlined in Article 10 for complaints and property damages but could the City please confirmation.

RESPONSE: *An email transmittal is acceptable as long as the information is provided in a format approved by the City Representative.*

100. Draft Contract, Page 20, Section 10.1.3 Customer Complaints: Can the City please clarify who will be responsible for taking the calls for complaints?

RESPONSE: *In most cases, complaints will go directly to the Contractor, who should compile and provide a complaint log as specified in Article 10.1.3 and 10.1.5 of the Draft Contract provided in Attachment A.*

101. Draft Contract, Page 22, Section, 12.2 Reporting: Can the city please confirm the delivery method for the specified daily, monthly, and annual reports?

RESPONSE: *As stated, the reports are to be transmitted electronically and are to be in a format approved by the City Representative.*

102. Draft Contract, Page 22, Section 12.2.1 Daily Report & Section 12.2.2 Monthly Report: Can the City please clarify what the format should be of the daily report and monthly report that is to be sent to the City electronically? Will the City accept a report in a PDF?

RESPONSE: *The report format is subject to approval by the City Representative; however, a format such as Excel is preferable to a PDF.*

103. Draft Contract, Page 25, Section 14.2 Contractor Responsibilities: As mentioned during the site visitation at the City's Transfer Station, the successful bidder will be responsible for hauling leachate from the facility. What is the annual volume amount of leachate that is currently be hauled from the facility?

RESPONSE: *Approximately 440 tons of leachate were collected in 2013. This estimate is for bidding purposes only, and is subject to fluctuation.*

104. Draft Contract, Page 28, Section 14.8 Facility and Equipment: Will the successful bidder be permitted to conduct modifications to the City's Transfer Station?

RESPONSE: *As specified in Article 14.8.7 of the Draft Contract in Attachment A, improvements shall be made upon prior written consent by the City Representative.*

105. Draft Contract, Page 29, Section 14.10 Reporting: Can the city please confirm the delivery method for the specified daily, monthly, and annual reports?

RESPONSE: *See response to question 101.*

106. Attachment C – Service Area Map: Can the City please provide the number of units contained in each zone for the different days of collection?

RESPONSE: *This information is not available.*

107. Can the City please provide the original contract for Waste Management from 2000?

RESPONSE: *The existing contract is provided in Attachment C to this Addenda.*

All Bidders shall acknowledge receipt and acceptance of this Addendum No. 2, by submitting the addendum with the bid package. **Attachments to this addenda should not included with bid packages.** Bids submitted without acknowledgement or without this Addendum may be considered non-responsive.

Signature

Name of Business