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January 13, 2020

ADDENDUM #3

TO THE CONTRACT DOCUMENTS FOR THE CITY OF PALM BAY

Project Name & Number:

RFP #03-0-2020/SB Solid Waste & Recycling Collection Services

FROM: City of Palm Bay
120 Malabar Road SE
Palm Bay, FL 32907
TO: All Parties Holding Specifications

The purpose of this addendum is to provide the following changes, modifications and/or additions to the contract documents and technical specifications.

Questions received:

Q1. Page 14, Item B, Gross Revenues. Will the City please confirm that the 10% franchise fee will only apply to collected gross revenues for residential?

A1. The Collector will include a 10% Franchise Fee of collected gross revenues for all residential, multi-dwelling and commercial customers.

Q2. Page 14, Item C1, Base Proposal. This provision states that residents shall be permitted to request additional containers, yet this is no price listed on the pricing sheets for the cost of the additional container nor to service the additional containers. Will the City please add a line item to the price sheets for additional residential garbage and recycling containers and the cost to service these additional containers, and allow the Collector to retain ownership and responsibility for the cart?

A2. The City currently has only 64-gallon carts. The City is requesting that Collectors take over ownership and management of the current inventory of City-owned carts, which includes carts already distributed to active accounts and those on-hand in City inventory. The City desires to provide customers with the option to select either a smaller (36-gallon) or larger (96-gallon) cart. It is unknown at this

time what the volume of customer requests to change cart sizes will be.

Collectors responding to this solicitation shall provide within their transition plan a recommendation for how this option could be incorporated into the City's services. Providing an initial timeframe for residents to make a one-time, no cost election to change cart sizes, followed by a period of time needed for the Collector to acquire the necessary inventory, will be considered reasonable aspects of such a program. The City also recognizes that Collectors may want to establish a customer fee related to future repeated requests to change cart sizes, which the City will also consider.

City will revise proposal pricing sheets for additional residential garbage and recycling containers, the cost to service these additional containers.

Q3. Page 14, Item C1, Base Proposal. This provision does not provide for residential hours of service, which are currently 6:00 a.m. to 7:00 p.m. Is it the City's intention to keep these same hours of residential service?

A3. Yes.

Q4. Page 14, Item C1, Base Proposal. With the exception of bulky waste, yard waste, white goods, and e-waste, is all solid waste required to be inside the cart, since limiting collection to what is only inside the carts will result in the most efficient use of personnel and lowest possible residential rates?

A4. It is the City's desire that residents use the appropriate containers for waste. Collectors will be required to educate and communicate with residents to promote effective set-out practices. Collectors shall provide their education and communication plan as part of the response to Tab 5 – Project Approach / Methodology of this RFP.

Q5. Page 14, Item C1, Base Proposal. How is the City addressing its current rate of 40% residential recycling contamination?

A5. The City is interested in the Collector's proposed approach to this issue. Please refer to Scope of Work page 18, Q – Value Added Elements items 2 & 3. The City desires a partnership with the collector and is seeking proposed bilateral solutions.

Q6. Page 15, Item G, Yard Waste Service. Will the City please provide the yard waste preparation specifications as outlined in the City Code of Ordinance 150.42 (b) and (c)? Is the Collector expected to still collect curbside yard waste that does not require a clam truck if it is not prepared to the specifications stated in this ordinance?

A6. City Code of Ordinance states:

150.42 Preparation Requirements

(B) *Tree and shrubbery trimmings*. All tree and shrubbery trimmings shall be of such size that they can be readily loaded by one (1) person. Stumps, trees, limbs and other such objects shall be cut in lengths of no greater than four (4) feet if the diameter of the item is less than six (6) inches, and shall be cut in lengths of no greater than two (2) feet if the diameter of the item is greater than six (6) inches.

(C) *Garden and yard trash (fine trash)*. All garden and yard trash (fine trash) shall be separated from all other household refuse and recyclable materials and stored in reusable containers acceptable to the contractor and approved by the City Representative for collection. No plastic or paper bags may be used for garden and yard trash storage/collection.

It is the City's desire that residents follow the yard waste preparation specifications described above. Collectors will be required to educate and communicate with residents to promote effective set-out practices. Collectors shall provide their education and communication plan as part of the response to Tab 5 – Project Approach / Methodology of this RFP.

Q7. Page 15, Item I1, Bulky Waste. The current franchise agreement states a 3 cubic yard limit per residence per week for bulky waste collection. Will the City please add this limit to this scope of work to help provide for the lowest possible residential rates?

A7. The City desires unlimited bulky waste collection. The City understands the concern of the Collector regarding this item. Collectors are advised to include in their response what is included in the proposed service. If unlimited bulky waste collection is not included, Collector shall specify what volume of collection per residence per week is included.

Q8. Page 15, Item I1, Bulky Waste. This provision requires the Collector to collect move out piles. Will the City please require that piles over 4 cubic yards must be containerized, using a product designed for this type of service such as a Bagster or roll off container?

A8. It is the City's desire that move out piles use appropriate containers and follow a set process to ensure efficient removal from the right-of-way. Collectors will be required to educate and communicate with residents to promote effective set-out practices regarding move out piles. Collectors shall provide their education and communication plan as part of the response to Tab 5 – Project Approach / Methodology of this RFP.

Q9. Page 17, Item N, Residential Billing. This provision states that billing services will transition from the City to the Collector. Collector billing often results in unusually high bad debt which must be considered when pricing services. Will the City please consider either retaining the billing or

moving the billing to the property tax rolls in order to provide for the lowest possible residential rates?

A9. The City Charter does not authorize the addition of non-ad valorem assessments to property tax bills without voter approval. Pricing sheets have been updated for Collectors to provide how the rate changes if the City continues handling billing.

Q10. Page 17, Item N, Residential Billing. This provision requires the Collector to assume residential billing. What legal or administrative support would the City be willing to provide to Collector to address the issue of residential customers who fail to pay (either in a timely manner or at all) their solid waste invoices?

A10. None. All future residential billing and collection would be the sole responsibility of the Collector.

Q11. Page 17, Item N, Residential Billing. In order to provide for the lowest possible residential rates, will the City provide for a guaranteed dollar amount to be collected each month, with the City providing for the difference if the guaranteed amount should fall short in any given month?

A11. No.

Q12. Page 18, Item P, Index Price Adjustments. Using an inadequate CPI index like the All Urban Consumers (CPI-U) will result in higher initial residential rates. To provide for the lowest possible initial rates, will the City allow an alternate Bureau of Labor Statistics index such as the Garbage & Trash (G&T) or Water, Sewer, & Trash (WST) to be used?

A12. No.

Q13. Page 19, RFP Timeline. Current manufacturing timelines are approximately 6-9 months for carts and 9-12 months for trucks. With the contract award expected in May, there is not sufficient time for equipment to be manufactured, delivered, assembled, and ready for service by October 1. What is the City's plan for service if equipment is not available by the contract start date?

A13. Collector is responsible for providing a Transition Plan as described in the Scope of Work section of this RFP. Collector is responsible to provide a schedule for transition. The City is working with the current vendor to establish an extended service period as needed.

Q14. Pages 25 and 27, Proposal Form, Pricing Sheets. On page 25, it appears the City is requesting a per unit price for Multi-Family Dwellings, yet the pricing sheet provides only the number of actual dwellings, not the total number of units. On page 27, it appears the City is requesting pricing for Multi-Dwelling FEL service. Is the City's intent to have the Collector bill

Multi-Dwelling properties at a per unit rate, or at an FEL service (cubic yardage) rate? Is the City considering Multi-Family Dwelling service to be residential or commercial? If the City is requesting Multi-Family Dwelling properties to be billed at a per unit rate, will the City please provide the total number of units in the City?

A14. It is the City's intent for the collector to bill Multi-Dwelling properties according to the services being provided. The City considers Multi-Family Dwellings as residential, however depending on the property, individual units or FEL services may apply. Currently the City does not have the total number of Multi-Family Dwelling units.

Q15. Page 12. 52 Public facilities and Attachment 5. Can the city provide the size and service level of those locations? What services is the contractor expected to provide at the community clean up events?

A15. This question will be answered in the next addendum.

Q16. Page 17, Would the city consider putting the collection services on the non-ad valorem tax bill? Does the city recognize that if the contractor is responsible to bill all the residents, what kind of impact it will have on that monthly rates? Does the city have data on nonpayment/stop service by the residents? If not, would the city consider keeping the residential billing on the water bill?

A16. This question will be answered in the next addendum.

Q17. Are all MSW and bulk waste flowed controlled to the county's facility?

A17. Yes.

Q18. What is the list of acceptable/nonacceptable recyclable materials? Does the contractor get to determine? Can items be removed if market conditions require?

A18. The list of acceptable recyclable materials includes but is not limited to cans, cardboard, glass, magazines and newspapers, mixed paper, plastics. It is recommended to follow the Florida DEP standards. The City recognizes that market conditions affect recycling programs. Collectors are asked to describe their recycling programs and strategies as requested in Scope of Services Section Q, Value Added Elements. Future changes to recyclable materials will be a negotiated item included in the Franchise Agreement.

Q19. Would the city consider negotiating a separate processing agreement with Waste Management instead of having it the responsibility of the contractor?

A19. Not at this time.

Q20. Can we add the following language: “Title to and liability for Solid Waste, Recyclables shall pass to Contractor when loaded onto Contractors’ vehicle? Title to and liability for Unacceptable Waste shall remain with the generator and shall at no time pass to Contractor.”

A20. This item can be discussed for inclusion in the franchise agreement. Collectors are requested to submit their standard franchise agreement, with all required clauses, for review during the negotiation phase.

Q21. Right of Refusal. Contractor should have the ability to refuse collection of Unacceptable Waste (not just Hazardous Waste, on page 16) or overly contaminated loads of recyclable materials. Would the City agree to add language to that effect to the final agreement?

A21. This item can be discussed for inclusion in the franchise agreement. Collectors are requested to submit their standard franchise agreement, with all required clauses, for review during the negotiation phase.

Q22. Additional Provisions. The following additional provisions should be added:

Changes in Market Conditions. If market conditions develop that limit or inhibit Contractor from selling some or all of the Acceptable Recyclable Material, Contractor may at its option and upon notice to Supplier (i) redefine Acceptable and Unacceptable Recyclable Materials, (ii) update the processing facility’s Average Commodity Mix; (iii) suspend or discontinue any or all Services, or (iv) dispose of the Acceptable Material (as currently defined) in a landfill and update the pricing to City accordingly. Any such actions, if taken, may be reversed or further changed as market conditions dictate.

Force Majeure. Except for City’s obligation to pay amounts due to Company, any failure or delay in performance under this Agreement due to contingencies beyond a party’s reasonable control, including, but not limited to, strikes, riots, terrorist acts, compliance with Applicable Laws or governmental orders, fires, bad weather and acts of God, shall not constitute a breach of this Agreement, but shall entitle the affected party to be relieved of performance at the current pricing levels under this Agreement during the term of such event and for a reasonable time thereafter. The collection or disposal of any increased volume resulting from a flood, hurricane or similar or different Act of God over which Company has no control, shall not be included as part of Company’s service under this Agreement. In the event of increased volume due to a Force Majeure event, Company and the City shall negotiate the additional payment to be made to Company. Further, the City shall grant Company variances in routes

and schedules as deemed necessary by Company to accommodate collection of the increased volume of Waste Materials.

- A22. This item can be discussed for inclusion in the franchise agreement. Collectors are requested to submit their standard franchise agreement, with all required clauses, for review during the negotiation phase.
- Q23. Page 17, Item N., Residential Billing. At the December 3 pre-proposal meeting, the City outlined that, of its approximately 49,000 residential units, approximately 9,000 of those residential units are not paying their solid waste service bills. What legal or administrative support would the City be willing to provide to Collector to address the issue of residential customers who fail to pay their solid waste invoices?**
- A23. The City would not provide any legal or administrative support to the Collector once responsible for billing. Pricing sheets have been updated for Collectors to provide how the rate changes if the City continues handling billing.
- Q24. Page 17, Item N, Residential Billing. What is the City's current average monthly dollar amount of bad debt?**
- A24. As of November 2019, the monthly delinquent amount is as follows: 30+ days \$93,863; 60+ days \$21,301.
- Q25. Page 17, Item N, Residential Billing. In order to greatly reduce residential bad debt and reduce risk to the Collector and the City, will the City move the billing to the property tax rolls or retain the current City-billed system?**
- A25. The City Charter does not authorize the addition of non-ad valorem assessments to property tax bills without voter approval. Pricing sheets have been updated for Collectors to provide how the rate changes if the City continues handling billing.
- Q26. Page 17, Item M, Residential Containers. The City values its current cart inventory to be approximately \$3.99 million. What does the City currently value its inventory given depreciation of the carts over the past 9 years?**
- A26. The City does not track nor depreciate the value of the cart inventory. Collectors may address this item within their response.
- Q27. Page 14, Item C., Residential Service Options. What will the City accept as program recyclables?**
- A27. The list of acceptable recyclable materials is but not limited to cans, cardboard, glass, magazines and newspapers, mixed paper, plastics. It is recommended to follow the Florida DEP standards. The City recognizes that market conditions affect recycling programs. Collectors are asked to describe their recycling programs and strategies as requested in Scope of Services Section Q, Value

Added Elements. Future changes to recyclable materials will be a negotiated item included in the Franchise Agreement.

Q28. Approximately how many residential carts does the City currently deliver each service day, either for new customers or re-deliveries for reinstated customers?

A28. The City currently delivers approximately 20 carts per week for new customers, 40 carts per week for additional cart requests and 20 carts for re-delivers (re-instated accounts).

Q29. Page 24/35 – Proposal Form Sheet 1 of 5. The form contains language that limits the recovery by Contractor from the City to a “maximum amount of the contract value less the amount of funds actually paid by the City to the Contractor pursuant to this Agreement.” Does this language apply only to contract claims or does it also apply to negligence or personal injury claims as well?

A29. Yes; this language applies to negligence and personal injury claims. Refer to Section 768.28, Florida Statutes for additional information.

Q30. Franchise Fee: are we to include on the pricing sheets?

A30. The 10% franchise fee is not included on the pricing sheet. If deviations from this rate are proposed, the Collector should include this in their response.

Q31. Are current residential service maps available?

A31. Residential service is provided by zone. The service map is attached as Appendix 2.

Q32. If the old CPI index is to be used, are we to use a ‘mean average’? Please describe ‘average’ methodology.

A32. See response to Q12 regarding the index that will apply. Collectors should include their proposed methodology in their response.

Q33. Reference Form (pg. 29) – 70,000 homes or 70,000 population?

A33. Population size of at least 70,000.

Q34. Attachment 4: City Facilities. Can City provide can sizes and service frequencies?

A34. The size and type of container and frequency of service are included at no cost to the City in the current franchise agreement. The City does not maintain a list of this information, but the awarded Collector will be expected to continue the service and work with the City to make changes as appropriate.

Q35. Illegal dumping: please describe nature (how may/frequency, etc.) and how pile cleanups are being managed.

A35. The City does not maintain a tracking system related to illegal dumping. Historically, City staff or the City's solid waste collector discuss and coordinate to handle based on the incident and as appropriate. The City desires to work in partnership with the Collector to resolve issues as they occur.

Q36. Regarding 40,709 active accounts versus 49,526 residential accounts – can the City provide the number of homes that were activated and/or deactivated on a monthly basis in 2019?

A36. This question will be answered in the next addendum.

END OF ADDENDUM #3

PROPOSAL FORM - ** Revised with Addendum #3 **
RFP NO. 03-0-2020/SB, SOLID WASTE AND RECYCLING SERVICES
SHEET 2 OF 5

The number of households listed below for Residential Services will be used solely to compare one proposal to another and is not an indication of actual number of households being serviced.

RESIDENTIAL – CATEGORY 1

Item	Description of Services	# of Households 'A'	Monthly Fee 'B'	Total Monthly Service Fee 'A' times 'B'
1	<u>BASE PROPOSAL</u> <ul style="list-style-type: none"> ▪ Solid Waste Collection 2x/week ▪ Recycling 1x/week ▪ Yard Waste 1x/week ▪ On-Call Bulky Waste, White Goods, Electronic Waste ▪ Tires (4 per year) 	41,000	\$	\$
	FOR RESIDENTIAL CATEGORY 1, BASE PROPOSAL, also provide a <u>reduction</u> in the Monthly Service Fees for the following. (Example: \$15/mon for Base Proposal; less \$5/mon if City retains billing; less \$2/mon if City continues in-house carts, etc.)			
2	Base Proposal PLUS City continues residential billing	41,000	\$	\$
3	Base Proposal PLUS City continues in-house cart program	41,000	\$	\$
4	Base Proposal PLUS City continues <u>both</u> residential billing and in-house cart program	41,000	\$	\$

RESIDENTIAL – CATEGORY 2

Item	Description of Services	# of Households 'A'	Monthly Fee 'B'	Total Monthly Service Fee 'A' times 'B'
1	<u>ALTERNATE PROPOSAL</u> <ul style="list-style-type: none"> ▪ Solid Waste Collection 1x/week ▪ Recycling 1x/week ▪ Yard Waste 1x/week ▪ On-Call Bulky Waste, White Goods, Electronic Waste ▪ Tires (4 per year) 	41,000	\$	\$
	FOR RESIDENTIAL CATEGORY 2, ALTERNATE PROPOSAL, also provide a <u>reduction</u> Monthly Service Fees for the following. (Example: \$15/mon for Base Proposal; less \$5/mon if City retains billing; less \$2/mon if City continues in-house carts, etc.)			
2	Alternate Proposal PLUS City continues residential billing	41,000	\$	\$
3	Alternate Proposal PLUS City continues in-house cart program	41,000	\$	\$
4	Alternate Proposal PLUS City continues <u>both</u> residential billing and in-house cart program	41,000	\$	\$

PROPOSAL FORM - ** Revised with Addendum #3 **
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SHEET 2a OF 5

RESIDENTIAL

Additional Fees:

Price to provide and service an additional cart, per residence: \$_____

MULTI-DWELLING SERVICE

Description of Services	# of Dwellings 'A'	Monthly Fee 'B'	Total Monthly Service Fee 'A' times 'B'
<ul style="list-style-type: none">▪ Solid Waste Collection 2x/week▪ Recycling 1x/week▪ Yard Waste 1x/week▪ On-Call Bulky Waste, White Goods, Electronic Waste▪ Tires, if necessary	48	\$	\$

Collector Name _____