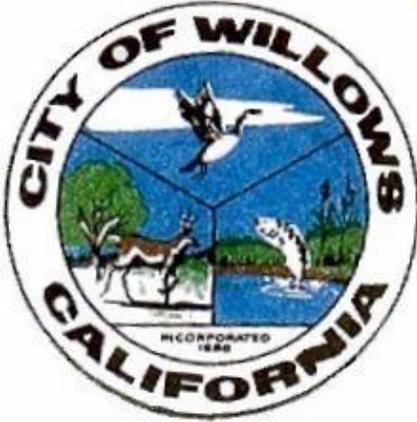


REQUEST FOR PROPOSALS



EXCLUSIVE FRANCHISES

Waste Collection & Recycling

3 Contracts – Glenn County, Willows, and Orland

Transfer

1 Contract

Disposal

1 Contract

Addendum 1

Notice to Bidders

In response to the questions submitted below, we have identified changes that will need to be made to the Draft Franchise agreements in Attachment 3 to 6 of the RFP. We will be providing red lined versions of these Attachments to show you more clearly the changes that will be made. The revised agreements will be made available in a separate addendum.

1. Is service mandatory in each jurisdiction? If not, will it be in the new agreement?
Service is mandatory in Orland and Willows. It is not mandatory in the unincorporated County areas. This is not expected to change with the new agreement.
2. What are you currently doing with comingled recycling and C&D, and where is it going?
Comingled Recycling is provided by the current Franchise. They also provide collection containers at the land fill for self-haulers. These comingled materials are only brought to the landfill if they are being disposed of in the landfill. Otherwise, the current Franchisee has their own means of recycling the materials.
3. Is there current processing of C&D at the landfill?
C&D materials brought to the landfill are currently either used as alternate daily cover (ADC) or is landfilled. The County will have a Type A Inert cell but has not determined how C&D will be processed at the transfer station. Since it is possible the County may not accept C&D at the transfer station, we recommend providing two options for C&D services. One assuming ability to bring to the transfer station and the other assuming direct transport to some other facility accepting C&D.
4. What is the current tip fee for C&D?
It is \$70/ton. The current rates for all services can be found here:
https://www.countyofglenn.net/sites/default/files/Solid_Waste_%26_Recycling/landfill_fees.pdf
5. What is the current tip fee for comingled recycling?
We do not have a tip fee for comingled recycling. If it was to be landfilled instead of recycled, it would be charged as Waste at \$70/ton. Self-haulers are not currently charged for recycling.
6. Do you have customer counts for each jurisdiction? Do you have customer counts by service level, i.e. residential, commercial, commercial recycling?
Unfortunately, we do not. The current franchisee has that data and did not provide it when it was requested.
7. Can we propose using a 3rd party as a transfer hauler (as a subcontractor to us)?
Yes, subcontractors may be used.
8. Are the rate sheets attached the most current rate sheets? It appears that some of the rates haven't changed for a while – is that because in the old contract there wasn't an annual mechanism for rate changes?
To our knowledge, the rates provided are the current ones approved by the three jurisdictions. Rates changes did not happen every year of the current contract.
9. Diversion must be 44%. What is the current hauler doing in terms of diversion from the landfill? What percentage?
We do not have percentage to report. In our electronic annual report, the per capita waste generation rate is below our target rate.
10. Reducing Methane Emissions – in the contract it talks about reducing disposal of organic waste by targeted 50% of 2014 levels – what were those levels?

Since a page reference was not provided, we are not sure which sample contract is being cited. However, the reference to targets is most likely in reference to AB1383 for which regulations have not been finalized. We do not know what the 2014 levels were for Glenn County at this time. We anticipate this data will come from the state once AB1383 regulations are finalized.

11. Financial Statements – Audits are very expensive and financial records are confidential. Will the audited financial statement of the parent company, Waste Connections be sufficient as it includes the services provided in Glenn County, Orland and Willows? External auditors perform testing of policies, procedures and accounting practices at the site level as part of the overall audit of the parent company.

If proposers' parent company provides performance / financial guaranties for operating its subsidiary, the proposer may submit the parent company's audited financials.

12. Will the jurisdictions choose one company for transfer and a different company for Disposal?
No. The Jurisdictions desire a single integrated service so a single company shall be chosen for all 3 services.

13. Page 19 of the RFP states the Franchisee must give CA redemption value to the jurisdictions, is this the annual California supplemental curbside payment to haulers, or CRV on source-separated items?

We intended it to be the CRV on source separated. However, we are open to alternative suggestions.

14. What services will you provide at the transfer station? Will you be sorting C&D or anything else at the transfer station?

The County currently provides for recycling and special handling of items such as e-waste, hazardous waste, mattresses, tires, appliances and scrap metal. We expect to continue these services since specialized contractors provide them. The current Franchisee provides roll-off containers for commingled recycling. We would like to retain the ability for self-haulers to be able to recycle at the landfill. The County also intends to open an Inert Debris Type A Disposal Cell for C&D materials but has not determined what type of processing or sorting may occur at the Transfer Station.

15. Public drop off at the transfer station, what are you anticipating in terms of recycling dropping off?

See question 14 above. Proposers may visit the landfill to see the current set-up for drop-off recycling.

16. Can we use the county's transfer station to transfer and transport recyclables?

There is a space available around the transfer station and we are open to proposals to develop a recycling area. More detail would be needed on the County's costs and obligations to provide a more definitive answer.

17. In reference to page 33-34 Profit/Loss on Recyclables, what is the intent here? Commodity markets have changed, recycling is an expense. The County being involved in the shipments would be administratively heavy, is this something the County is firm on?

The County's intent is to limit the contractor's liability for losses. After paying the County CRVs, the contractor retains the recyclables revenues, but it limits its recyclables losses. If

its total expenses to recycle all recyclables is greater than all its costs, then the County may reimburse excess sales costs, allow disposal or direct temporary storage of the recyclables

18. Can you provide estimated annual tons of commingled recyclables?

Unfortunately, we cannot. Comingled recyclables are processed by the current franchisee and the amounts are not known to the jurisdictions.

19. In regards to the 2 Options listed on page 2 of the Master Franchise; does Option 2 mean that the Cities of Willows and Orland could have different agreements that are not within this RFP?

Yes that is possible. City of Orland has indicated it intends to utilize Option 1.

20. What are the boundaries of Glenn County? Will we have to provide services to anyone who requests it, anywhere in Glenn County?

The Franchise Area includes the entire unincorporated territory included within the County limits except for portions of the western part of the County which is serviced by a different Franchisee than the current one for the remainder of the jurisdictions. This area is bordered on the north by the Glenn/Tehama County line, on the west by the Mendocino National Forest boundary, on the south by the Glenn/Colusa County lines and on the east by the Range line between Ranges 4 and 5.

21. On page 41 of the RFP, under "Time, Place." It states that Orland and Willows will instruct bidders on their respective time and place. Does this mean that they require 3 copies as well?

Please submit a combined proposal for all 3 jurisdictions to the County offices as indicated in the RFP by February 4th.

22. On page 9 of the RFP under "Simultaneous Negotiation" it talks about the further consideration of proposed Disposal Facility Operating Plan, Emergency & Backup Plans. Is this is the event that the landfill closes that we are choosing to utilize, or is this the landfill planning document that the landfill currently operates by?

The intent of the statement is to identify other factors, if present, that may be used in making a final decision. The emergency and backup plans do not currently exist and would be documents developed by the franchise if necessary. They are meant to handle situations such as closure of the disposal facility you choose and other emergencies such as wildfires.

23. On page 10 of the RFP, under "Compensation", when you talk about the cost of handling are you talking about hazardous waste that ends up in a load and getting that material out of the load? What is the time period that this covers, i.e. monthly?

This section is referring to waste that is hauled from the transfer station that the Franchisee might determine to be unpermitted waste upon arrival at the disposal facility. The following rephrasing is intended to further clarify the 3 bullet points:

- *The Disposal Franchisee will pay the cost of properly disposing (as required by law) the first 3 loads of unpermitted waste that the County's transport hauler delivers to the disposal facility.*
- *The Disposal Franchisee will split the direct cost of disposing the next 3 loads with the County.*
- *The County will pay the costs of disposing any additional loads.*

24. Regarding the free dump days, can you provide approximate tons from previous years, and is there a limit to what customers can dispose of, is it bulky items or yardage limit?

There is no limit on solid waste, recycling services may vary and no more than nine tires. Totals from 3 events in 2018 below. Please note that in recent years there may have been only one event held in some jurisdictions.

Orland (annual event)

- 41 tones of trash
- 3 tons misc. scrap metal
- 115 mattresses
- 60 pieces misc. furniture
- 13 air conditioners
- 39 washer and dryers
- 27 stoves
- 96 misc. small appliances

Willows

MSW	38.67 TONS
SCRAP METAL	27.17 TONS
REFRIGERATORS	85
WASHERS	35
OVENS	19
AIR CONDITIONERS	21
OTHER MISC APPLIANCES	52
6010 LBS of CRTs and 580 lbs. electronic universal waste.	
5005 LBS mattress/box spring (91 total)	

Hamilton City

- 3-40yd boxes of scrap mental and 1 half-full box at the end of the day (total of about 140 yards of scrap metal)
- 25.69 tons of trash
- 47 mattresses
- 20 couches

25. We recommend the Cities and County procure the collection contract in a separate RFP from the disposal & transfer contracts. These components into two RFPs would allow more time for the Cities of Willows and Orland to definitely join the County in the collection RFP. Furthermore, separate collection and disposal & trash RFPs would facilitate greater competition that would be beneficial for the final contracts.

The jurisdictions desire a single provider for all 3 services. We will not be changing the request for proposals.

26. The RFP notes that it “has been prepared under the assumption that cities of Orland and Willows will join the County in the RFP. However, their respective decisions on joining are unknown.” Can you provide an update on the timing of when proposers will know about the decisions of Orland and Willows to join the collection component?

The City of Orland considered this item at their January 7, 2019 meeting and committed to a joint RFP with the County. The City of Willows will consider this at their January 22, 2019 meeting

27. The RFP notes that both the disposal/transport and collection RFPs may be subject to an optional Best and Final Offer (BAFO) round. We encourage the County and Cities to eliminate the BAFO, and instead encourage all proposers to offer their best rates and services in the initial proposal period.

BAFO rounds often lead to lower quality services. We pride ourselves on offering innovative, customer-centric collection services with the goal of helping communities achieve a “world without waste.” By eliminating the BAFO and instead encouraging proposers offer their best possible rates first, the County and Cities can ensure they are getting a fair price while not sacrificing quality.

The jurisdictions have not presently determined whether to request a BAFO. Because rates are the most important initial selection criteria, they may determine BAFOs are not necessary.

However, if proposers include extra services or benefits in their proposals, the jurisdictions may want to accept / reject those services and then ask all proposers how those additional services affect proposers’ original price proposals. In that scenario, the jurisdictions can better compare proposals on an apples-to-apples basis.

28. Page 2 of the RFP notes that the term of the agreement is for 7 years. Would the Cities and County consider offering a 12-year or 15-year base term? These contracts will require extensive investment in new equipment (such as carts, containers, trucks, and facility needs). A longer base would allow the cost of equipment to be amortized over a longer period (potentially having a positive impact on rates).

The term of the agreement was set to 7 years in part because of the anticipated additional regulations stemming from AB1383. We believe there will be a need to modify the agreement before the end of the 7 years. We would hope to avoid a re-solicitation but that will depend on the discussions to modify the agreement.

29. Page 3 of the RFP notes that proposers may offer used carts. Please require all proposers to use new carts for the contract. Allowing the current contractor to keep the existing inventory allows them a significant cost advantage to the point where it will not make sense for us to submit a proposal.

The RFP also states on Page 3 that, “the Jurisdictions are placing proposers who do not currently provide service on a more competitive position with respect to an incumbent proposer.” However, allowing used carts places the incumbent at a significant cost advantage.

Therefore, requiring new carts will create a more level playing field and allow the jurisdictions to more accurately compare proposals.

The RFP also states that all proposers must provide for replacement of carts during the term of the contract (page 3). Thus, all proposers will be required to provide new carts at some point. Proposers may supply carts that they have used in other jurisdictions if they efface other jurisdictions’ names and use blue / green / black lids

30. The RFP seems to suggest that the WMRA intends to award a contract for all three services (disposal, transportation, and collection) to one service provider. However, Page 8 of the Draft Master Franchise, Section 6.2: Leveling the Playing Field, states that:

Businesses that provide only collection services could compete on a level playing field with vertically integrated businesses that provide collection, transport and disposal services and internalize their transport and disposal costs

This suggests that contracts for each of the three services would be awarded separately. Please clarify the intent.

The intent is to select one provider for all 3 services. There was a change in direction and we may have missed some language in the agreements that should have been removed. This response confirms that 1 contractor must provide all 3 services, although it may subcontract for any service.

31. For the Collection portion of the RFP, Can you please provide the following additional information to help proposers design accurate rates:
- Current subscription levels (including container sizes, service frequency, and number of customers) for each jurisdiction
 - Pursuant AB1669, we intend to offer employment to eligible employees of the current contractor according to the terms described in AB1669, Section 1072. Please provide information regarding the number of employees who are currently performing services under the current collection service contracts and the associated wage rates, benefits, and job classifications of those employees.

The jurisdictions do not have access to this data. It resides with the current franchisee.

32. The cover page of the document notes that questions for clarification are due January 7. However, Page 40, under the chart titled “Key Procurement Dates / Submission Requirements” notes that questions are not due until January 9. Please clarify which date is correct.

Questions were received by January 7th from all proposers. However, given the two dates, questions were accepted until January 9th. Additional questions received have been incorporated into this response.

33. Page 4 and Page 11 of the RFP feature a chart on Tons Landfilled. Can you please provide this information by jurisdiction?

We are unable to provide data by jurisdiction. The JPA Reports aggregate numbers to CalRecycle. The data provided is based on information collected at the landfill which does not differentiate the jurisdiction.

34. Page 10 of the RFP notes that CPI adjustments should be based on Western States CPI. We strongly recommend using CPI for Water, Sewer, Trash. This CPI is more closely aligned with market factors impacting the cost for service in the solid waste and recycling industry. Without using CPI for Water, Sewer, Trash, proposers would have to factor uncertainties into the costs upfront. Using an adjustment more reflective of industry costs would reduce those built-in, up-front costs for ratepayers.

Thank you for the suggestion. However, we will leave it as is.

35. Page 10 of the RFP notes that the annual adjustment may not exceed 3% in any one year. This cap should be removed or raised. Capping CPI adjustments could have a negative impact on the quality of the collection program, should the cost of providing services outpace the rate adjustments.

This cap is included with the intention of protecting customers. Inflation has remained around 3% in recent years. However, in the spirit of equity we will change the cap to 5%.

36. Page 10 of the RFP, under the section titled "Compensation," states the following:
The Disposal Franchisee is paid by its proposed dollar/ton tipping fee for County refuse it accepts.

- *It will pay the cost of handling the first 3 loads of unpermitted waste that the County's transport hauler delivers to the disposal facility.*
- *It will split the cost of handling the next 3 loads.*
- *The County will pay the costs of any additional loads.*

Please define "it," as used in the first two bullet points; what does "it" specifically refer to? Please also define "cost of handling" used in the second bullet point. When does this apply? Does it apply to the free dump days?

This section applies to waste transported from the disposal facility. We do not anticipate this would be a problem with the dump days since dump day materials are usually more carefully examined before being accepted. The following rephrasing is intended to further clarify the 3 bullet points:

- *The Disposal Franchisee will pay the cost of properly disposing (as required by law) the first 3 loads of unpermitted waste that the County's transport hauler delivers to the disposal facility.*
- *The Disposal Franchisee will split the direct cost of disposing the next 3 loads with the County.*
- *The County will pay the costs of disposing any additional loads.*

37. Page 11 of the RFP describes Free Dump Days. Since the County is operating the Transfer, how do you envision the dump days would work? Would the County track tonnage? What is the expected, or actual historic, tonnages from these days?

For previous events, the Jurisdictions have tracked tonnage of incoming materials. For materials that are not normally part of curbside collection, arrangements are made with service providers to be present. Since the transfer station may affect how these are conducted, the Jurisdictions expect to work cooperatively with the Franchisee to coordinate what items are collected. The following data is provided from 3 recent events. Please note in some cases the jurisdictions have held only a single event in recent years.

Orland (annual event)

41 tones of trash

3 tons misc. scrap metal

115 mattresses

60 pieces misc. furniture

13 air conditioners

39 washer and dryers
27 stoves
96 misc. small appliances

Willows

MSW	38.67 TONS
SCRAP METAL	27.17 TONS
REFRIGERATORS	85
WASHERS	35
OVENS	19
AIR CONDITIONERS	21
OTHER MISC APPLIANCES	52

6010 LBS of CRTs and 580 lbs. electronic universal waste.
5005 LBS mattress/box spring (91 total)

Hamilton City

3-40 yd boxes of scrap metal and 1 half-full box at the end of the day (total of about 140 yards of scrap metal)
25.69 tons of trash
47 mattresses
20 couches

38. Page 17 of the RFP notes there are no roll-off services in Orland. Who currently provides roll-off services in Orland? In addition, why is roll-off services not included in the Willows franchise?

Page 17 is not the best of indicator of current services. Attachment 1 provides the current rates and services. Attachment 1 indicates all 3 jurisdictions have roll off services available from the current Franchisee.

39. On Page 17 of the RFP, the Proposed Service section indicates that there is no roll-off service in Willows. However, the Collection & Recycling section on Page 18 notes that C&D Debris is part of the exclusive franchise in Willows, but not in Orland. Can you please clarify? Will an exclusive franchise be granted for roll-off in any of the three franchises? Will this roll-off franchise include C&D Debris?

Page 17 is not the best of indicator of current services. Attachment 1 provides the current rates and services. Attachment 1 indicates all 3 jurisdictions have roll off services available from the current Franchisee. The jurisdictions do want roll-off services as part of the services provided by the Collection Franchisee

40. Please provide more information on the two Community Cleanups each year, described on Page 18 of the RFP. Are the Community Cleanups conducted in conjunction with the Free Dump Days? Is this a program that is currently being provided? If so, what locations are currently being used for drop off? Please also provide any historical quantity information.

Community Clean up days and Free Dump Days occur on the same day and are correlated. Please see response above to question 37 about Dump Days.

41. The chart on page 22 of the RFP does not include 8-yard FEL bins. Should this size be included? Furthermore, there is no option to provide pricing for Commercial Recycling bins in sizes other than 64-gallons; should other sizes be included?

Proposers may provide additional sizes in their proposed rates.

42. Attachment 2 (price sheet) contains a 10-yard commercial bin size. Currently, the largest bin size available is an 8-yard. Please correct the price sheets to reflect 8-yards as the maximum commercial bin size.

The proposers can make editorial changes to the rate forms as part of their submission.

43. Section 1.D of the Master Franchise: Please define gross revenue as it relates to franchise fees. Is it the intent of the County that franchise fees be paid on the Disposal franchise, the Transport franchise, and the Collection franchise?

The County will collect franchisee fees only on the revenue generated by the Collection Service Franchise. Therefore, gross revenue refers to the service fees collected from all customers served by the Collection Franchisee. "Gross revenue" means all receipts that contractor receives from customers without deduction or offset. "Gross revenue" is *not* net franchise fees. However, it does exclude receipts from sales of recyclable materials.

44. Section 3.C of the Master Franchise: 10 days is an unrealistically short period of time to respond to a change in scope. Would the County consider changing the language to 60 days?

The section already includes language that allows for longer response time, at the County's discretion, when the change of scope warrants a longer response time. We will change language from 10 days to 15 business days.

45. Section 4.C.: This section requires response by the franchisee within specific time frames. There appears to be no allowance if the person the County is contacting is absent. Please modify the language to allow the franchisee normal delays due to absence, except when an emergency response is required.

The County expects that if the person contacted is out of the office for work or personal reasons, then a suitable outgoing message will alert the County of this and provide an alternate contact. The County will clarify the language to allow the County Representative to delegate authority and responsibility to another staff member who will check and respond to contractor correspondence.

46. Section 10.D of the Master Franchise: This requires the franchisee to provide the County audited financial statements. Our parent company is audited every fiscal year, but individual operating companies are not typically audited separately. This would be an unnecessary expense, especially since pricing is not dependent upon costs or profitability. Would the WMRA consider removing this requirement?

If proposers' parent company provides performance / financial guaranties for operating its subsidiary, the proposer may submit the parent company's audited financials.

47. Section 12.D of the Master Franchise: There appears to be missing language in this section; please revise.

The County will re-format the section into 5 items to clarify its intent.

48. Attachment 8B of the Master Franchise: The attachment skips from Section A to Section C. Is there a Section B missing? If so, please provide. In addition, Section C.1 is confusing and it is unclear when this section would apply. Please clarify.

Yes, the County will re-number Attachment 8B Service Fee Adjustments, "C" becomes "B". Thank you. Section C-1 Adjustment Process applies when either County or Contractor request a change in the scope of services, such as a new program necessary to comply with changes in law. The County will add an introductory, explanatory sentence.

49. Section 4.A.1 of Disposal: Is the contract allowed to use periodically determined tare weights to reduce turnaround time?

At the transfer station, vehicles will be weighed upon entering and upon exiting. Our software does not have the ability to store Tare weights for vehicles. For the Disposal facility, the County will add language to allow use of established tare weights.

50. Section 3 of Transport: Please provide any height and length limitations for the transfer trailers, as well as limits to the overall length of truck and trailer.

The scales at the transfer station can accommodate a 70-foot long vehicle. The loading bay has an opening of 15 ft high by 10 ft wide. The design trailer was assumed to be 14 ft high, 50 ft long with a 42 ft wheel base, and 8.5 ft wide. We are happy to arrange a site visit for proposers to see the transfer station as the construction is 99% complete.

51. Section 3.B of Transport: This section requires the franchisee to provide empty transport containers within 30 minutes of County's request, and move loaded containers to the storage area at the Transfer Station within 10 minutes of loading. There would only be 3 to 5 trailer loads per day. This will require a fulltime person on-site with a spare truck to move the trailers. Would the County consider providing this function as part of operating the transfer station?

The County would consider such a proposition contingent on two factors. First, the County would not be willing to purchase equipment it does not have to move trailers. Second, Franchisee would have to give County a liability release. For County to adequately evaluate this option please propose rates with this option and without this option.

52. Section 14.A.1 of Waste Collection & Recycling: Please provide corrected language for the bullet point that says, "the relationship of the sums to 28000the range of harm to County that reasonably could be anticipated, and"

It should read "the relationship of the sums to the range of harm to County that reasonably could be anticipated, and"

53. Attachment 3A.A.3.a of Waste Collection & Recycling: This section requires the franchisee to collect certain materials at Community Cleanup Events, without limit. This includes tires, which appears to be limited to 6 tires. However, the definition of "Bulky Waste" limits tires to 2 per set-out. Please clarify these inconsistencies.

The County has existing contracts in place to collect tires via Tire Amnesty. For a recent community clean-up, County arranged for currently enlisted contractors for special materials such as tires, e-waste and mattresses to be at the clean up events. If these grant supported contractors are not available then we expect to discuss with the Franchisee how to modify the clean up days in suitable manner. In terms of the list of collectibles, we are not considering tires to be part of "Bulky Waste".

54. Attachment 3A.B.1 of Waste Collection & Recycling: This section requires collection Monday-Saturday, except holidays. There are 12 holidays defined. Is the Transfer Station closed on those holidays? If not, would the County consider allowing the contractor to provide service on those days the Transfer Station is not closed?

The transfer station is closed on the 12 holidays provided and on Sundays. The Franchisee would be allowed to provide service on days when the Transfer Station is open.

55. Attachment 3A.C.a.i.(2) of Waste Collection & Recycling: This section allows a customer over 75 years old to apply for free roll-out service, if he or she provides written representation that he or she is functionally unable to roll the carts to the curb, and there is no one else living at the residence who is physically able to roll those containers to the curb. However, on Page 19 of the RFP, it states that a handicapped customer or a customer 65 years old may qualify for free roll-out service, if he or she certifies that there is no one else residing at the premise to roll-out the carts for him or her, and he or she qualifies for utility discounts. The language in the contract is the more reasonable qualification criteria. Please clarify the criteria for qualification for free roll-out service.

Thank you for pointing out this discrepancy, for the County please use an age of 65. Please also note this roll-out service is not currently an option in Willows and Orland. Orland has indicated they do not want this service.

56. Attachment 8A of Waste Collection & Recycling: This section states that the County will bill customers. Does the County currently provide billing for collection customers? Who will bill customers in Orland and Willows?

Thank you for pointing out the discrepancies in this section. Currently the customers who get service from the Franchisee are billed directly by the Franchisee. We wish to retain that procedure. The County does provide billing for self-haulers and the Franchisee for the material they bring to the landfill. The County will continue to do so. The language in this section will be corrected to reflect that Franchisee will directly bill subscribed customers.

57. On page 95 of the RFP, it mentions, 'Instead of a letter of Credit, County may accept performance bonds with content, and in sureties with financial ratings, satisfactory to County.' If a surety bond is acceptable for performance of the contract, we respectfully ask that we may provide a bid bond instead of letter of intent to issue a letter of credit? If acceptable what are the surety requirements (required bond language, surety rating, etc.)?

We apologize but we are unable to respond to this question because of our uncertainty with intended distinctions of to surety and bid bonds.

58. On Page 41 under "Submittal Requirements" it requires a solicitation number; however, one is not provided. Please provide the required number

There was no solicitation number issued. It will not be needed for your submittal to be accepted.

59. Request for Proposals - Page 3 – please provide a working example of the service fee adjustment mechanism. The weight system described in the RFP term document does not seem to take into account any potential future large increases in transfer or disposal costs (\$70 disposal figure is a guesstimate). Any significant increases would alter the weighting in the rate mechanism, consequently, how does the County intend to address this issue?

We will provide an example with the modified Draft agreements that will be provided in a subsequent addendum.

60. Request for Proposal – Page 3 – please provide further clarification regarding container color schemes. Draft AB1383 regulation describe “grey lids” and not “black lids”. Is it the intent of the County and Cities to have new carts after 7 years? Need further clarification.

We will match the colors in the draft regulations stemming from AB1383. Proposers are expected to provide a new cart to customers at some point during the 7-year period and include the associated cost in their proposal (with a time line with respect to portions of cart inventory). You have the latitude to propose when the new carts will be provided within the term of the contract.

61. Request for Proposal – Page 12 & 14 – please explain the difference in the price needed to be quoted for transport services. Page 12 describes a transport fee per ton and on page 14, the document mentions that the transporter will be paid per mile-ton hauled.

- a. Is transport contractor paid per ton or per mile?

The transport cost will be paid on a per ton basis. The language on page 14 is residual language from when the transport services were potentially going to be awarded to a different franchise from the collection or disposal franchise. However, since all proposers must provide all 3 services, the proposer will have control over where material will be transported and by what route so can provide the cost in dollars per ton.

- b. Who pays the transport cost per ton or per mile?

County will pay Franchisee on a cost per ton basis.

- c. If the cost is per ton, what is the tonnage per transfer load that the County guarantees?

The County is not guaranteeing any tonnage per transfer load. See page 14-15 of the RFP on estimates of daily tonnage from historical records. County will work with Franchisee to coordinate training of County staff to load containers or vehicles in a manner desired by the Franchisee.

- d. How many containers will be required for transport?

We cannot answer this question without knowing the capacity of the container you propose to use. Our best estimates are provided on pages 14 and 15 of the RFP.

62. Please confirm roll-off services as what is described in the RFP documents does not seem to be accurate. Please confirm that roll-off is exclusive in all three entities.

Yes, all three jurisdictions include roll-off / C&D collection service in their collection contracts.

63. RFP Attachment 3 – Draft Master Franchise – Page 6 (A. Diversion) – AB939 no longer carries a \$10,000 per day fine. Please explain.

First, the jurisdictions’ exemptions to divert specific percentages of waste are not permanent. Second, nevertheless the jurisdictions must implement diversion programs that are subject to CalRecycle review and its interpretation of the jurisdictions “good faith efforts”. Therefore, the Jurisdictions may be subject to fines.

- a. The entities currently have exemptions regarding certain recycling programs. Please explain % recycling requirements as these exemptions are currently in place.
- These are statements of findings. The jurisdictions have been cautioned that our exemptions may be eliminated and thus these requirements may become applicable.
- b. AB1383 regulations are currently in draft form and will not become official until late 2019 or early 2020. Who will bear the cost of the implementation of these services and corresponding requirements? Please explain the 3% cap when the municipality is aware of upcoming regulatory changes.

You will not bear the cost of implementing these services. The Collection Franchisee is *not* required to collect green waste in dumpsters / bins from businesses and multi-family premises that must comply with AB 1383 Mandatory Organics Diversion. However, as the RFP provides, you must collect green waste in carts from those businesses and multi-family premises when collecting residential green waste.-

See the tables in the RFP for Commercial bi-weekly green collection in 64-gallon carts with additional charge (which you must propose) for Willows and Orland.

Furthermore, as the RFP summarizes -

*The Franchisee must provide green waste **carts** to commercial / multi-family customers that request them. Franchisee must collect those carts on the same day that Franchisee collects green waste for residential customers in the cities for its proposed price.*

We will provide this clarifying language in the Collection Franchise / scope of services.

However, the present scope of services does include some preparation for AB 1383

- **Identification and Education.** The Collection Franchisee must identify businesses and multi-family dwellings that will have to comply with present law / AB 1383, and conduct education and outreach (*Collection Franchise / Exhibit 4 Recycling / E. Preparing for Compliance – Mandatory Commercial Organics Diversion AB 1383*).
- **Carts.** Cart specifications anticipated for new and used carts under proposed AB 1383 regulations, such as color and printed information, is also presently included (*Collection Franchise / Exhibit 3A / E. Specifications - Carts, Bins and Roll-Off-Boxes*).

Service Fee Adjustment. We will clarify that the 3% cap does not include changes in the service fee due to changes/additions to services.¹

1. ¹ **Change in Law.** Adoption of 1383 regulations is a “change in law” The definition of “law” (*Master Franchise 4D*) includes regulations.

The uncertainties of AB 1383 regulations is one of the reasons the contract term is at 7 years. We anticipate once the regulations are finalized that the Franchisee and Jurisdictions will have to cooperatively develop a plan to respond with respect to collecting organics from businesses and multi-family premises.

Furthermore, given the number of current commercial customers in the combined jurisdictions is small, the number to whom AB 1383 applies is expected to be small as well. The 3% cap is intended to protect customers since Franchisee will have a great deal of control of costs in the future.

64. RFP Attachment 3 – Draft Master Franchise - Page 49 - Please explain the rationale regarding the annual adjustment being capped at 3% as bidders are utilizing a hypothetical \$70.00 disposal amount. A 3% cap seems arbitrary based on the need for bidders to use a hypothetical disposal cost.

The 3% cap is for future year increases and is intended to protect the customers since the vast majority of future year increase will be due directly to rates proposed by the Franchisees.

The RFP already provides a mechanism for adjusting the initial service rates once the rates for disposal and transport are known and the impact on tipping fee changes are known. See pages 20, 25 and 30 of the RFP.

65. Request for Proposals – Page 10 “Compensation” – please provide a working example of the mechanism described in the RFP “Disposal Terms”. The RFP term document (Disposal) describes a breakout of payments based on loads, but the disposal draft agreement describes a per ton payment by the County (RFP Attachment 4 – Draft Disposal Franchise - Page 12 – (Tipping Fees, Payment Protocol).

- a. Who pays the landfill cost per ton?

The County pays the landfill cost per ton to the Franchisee.

- b. Please explain the differences between what is described in the RFP terms (Disposal) and what is described in the disposal agreement.

We could not find the exact reference to “loads”. We will do a global search of the contracts to identify such a reference to “load”. However, the following language was found in the RFP regarding the disposal fee:

-
2. **Uncontrollable Circumstance.** A “change in law” is “an uncontrollable circumstance” that excuses non-performance / default. (*Master Franchise Agreement / ATTACHMENT 13B Events of Default*).
3. **Service Fee Adjustment.** The service fee can be adjusted upon either County or Franchisee’s request. If County changed the scope of service and asked Franchisee to implement AB 1318 programs by providing organics collection service, the Franchisee can request an increase in service fees. (*Master Franchise Agreement / ATTACHMENT 8B – Service Fee Adjustments /c (renumbered b) Adjustment Process*) includes) (As noted elsewhere in County’s responses to proposers’ questions, an introductory, explanatory sentence will be added above the protocol.

1. The RFP / DISPOSAL FRANCHISE / Compensation, says, "The Disposal Franchisee is paid by its proposed dollar/ton tipping fee. . . " and your proposal is \$/ton.
 2. The Disposal Agreement / SECTION 8 TIPPING FEES. . . says, "County will pay the Disposal Franchisee tipping fees . . in an amount each month based on the number of tons of solid waste that Disposal Franchisee accepts and disposal at the Disposal Facility multiplied by the corresponding tipping fees per ton of solid waste under the Tipping Fee Schedule".
- c. RFP Attachment 4 – Draft Disposal Franchise - Page 21 – Please explain what is meant by "net tipping fee"? Please also clarify what annual CPI will be utilized to increase the disposal per ton tipping fee as it is described differently in the terms section versus the draft disposal agreement. Please confirm that the disposal tipping fee will be increased by 100% of the defined CPI.

"Net tipping fee" means the tipping fee for disposal charged the County *minus* the governmental fees.

The definition in ATTACHMENT 8B of the Master Franchise is correct.

"CPI" means the most recent Consumer Price Index / Urban Consumers – Western States (1982, 1989 = 100) published by the Bureau of Labor Statistics at the time of service fee adjustment.

With respect to disposal tipping fee adjustment, the following is intended to clarify these adjustments:

1. **Operations.** 100% of the operations portion of the tipping fee will be adjusted by the CPI.
2. **Governmental Fee.** The governmental fee portion of the tipping fee will be adjusted if and when the governmental entity changes that fee (such as a host fee or the CalRecycle fee). We will clarify that "net" refers to the entire tipping fee *minus* the governmental fee

66. RFP Attachment 4 – Draft Disposal Franchise – "Closure and Post-Closure" – Please explain the rationale for this section as the disposal bidder will need to guarantee capacity at its own landfill. What is the need for providing cost estimates for closure and post-closure costs at Contractor's disposal facility?

County seeks to verify disposal bidder's compliance with regulatory requirements and be confident in bidder's ability to continue to provide disposal.

67. RFP Attachment 5 – Draft Transport Franchise – "Transport" – Does the County realize the significant cost implications of the transport requirements as described in sections "Week-day Transport", "Weekend Transport", emptying of transport containers and transport container requirement?

The County's permit allows only occasional storage of waster overnight in the Transfer Station. Therefore, the County is not willing to store waste inside the Transfer station for extended periods of time and as such have identified requirements that limit the amount of time waste is stored.

68. Request for Proposal – Page 41 - When can we expect the City of Orland and the City of Willows to send notification of their preferred time and place to submit the proposal?
- d. Are we to submit one proposal for all jurisdictions or one proposal for each jurisdiction?
Submit service fee proposals for all jurisdictions together to the County Public Works office in Willows.
69. Request for Proposal – Pages 52-54 - Was the intent to list the 2017 rates for the City of Orland?
Current rates were requested from the City. What has been included is what was provided by the City. Orland rates increased 3.51% in 2017, but there was no increase for 2018 due to contract extension terms.
70. Request for Proposal – Pages 55-56- Was the intent to list the 2015 rates for the City of Willows?
Current rates were requested from the City. What has been included is what was provided by the City.
71. There are significant questions regarding the RFP documents. Waste Management suggests that the RFP process and deadlines need to be extended for 45 days to accommodate for potential changes and clarifications.
The County is constrained by permits from the Water Board and does not have the ability to extend the deadlines.