

OFFICIAL NOTICE NO. 46-1-2014

**ADDENDUM NO.1
May 7, 2014**

BID SPECIFICATIONS FOR PROVISION OF TRANSFER STATIONS AND SELF-HELP CENTERS OPERATION WITH ASSOCIATED HAULING AND DISPOSAL SERVICES FOR THE CITY OF MILWAUKEE.

PLEASE NOTE THAT THE DATE FOR BIDS DUE HAS BEEN CHANGED FROM MAY 20, 2014 TO:

BIDS DUE: June 3, 2014 at 10:30AM Central Standard Time.

Prospective Bidders:

- A. In regard to our advertisement for BID SPECIFICATIONS FOR PROVISION OF TRANSFER STATIONS AND SELF-HELP CENTERS OPERATIONS WITH ASSOCIATED HAULING AND DISPOSAL SERVICES FOR THE CITY OF MILWAUKEE, this attached Addendum No. 1 is issued to modify the original documents and is hereby a part of the contract documents.
- B. Each bidder shall read the entire Addendum. The Bid Proposal shall include all items included in this Addendum No. 1. Bidders shall acknowledge receipt of this Addendum by referencing the Addendum number in the Bid.
- C. This Addendum No. 1 includes responses to Bidders Written Questions, sign in sheets from the site visits at Lincoln Avenue and Industrial Road Transfer Stations and Self-Help Centers and minutes from the Pre-Bid Conference held on April 30, 2014 at Industrial Road Transfer Station.

Very truly yours,

Ghassan Korban
Commissioner of Public Works

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- I. Revisions to the Bid Specifications by this Addendum.
- A. On Page 1-2, first sentence, delete “May 20” and insert “June 3”.
- B. On Page 1-7, Section 1.2, Definitions, for Tipping Fee, delete “cost per ton paid to the City under the Contract” and insert “cost per ton paid to dispose of waste at a landfill”.
- C. On Page 1-8, Section 1.3, Scope of Work, last sentence of second paragraph following bullet points, delete “July” and insert “September”.
- D. On Page 1-14, Section 1.4.3, Description of Alternates, make the following changes:
- a. Alternate A-6 – Construction & Demolition Debris (C&D), delete “recycle/reuse” and insert “recycle or dispose of”
 - b. Alternate A-10 – Yard Waste, delete “between 30,001 –”.
- E. On Page 1-17, Section 1.8, Procurement Schedule, delete the original dates and insert the revised dates for the following Activities:
- | <u>Activity</u> | <u>Delete Dates</u> | <u>Insert Revised Date</u> |
|----------------------|---------------------|----------------------------|
| Submit and Open Bids | May 20, 2014 | June 3, 2014 |
| Contract Starts | July 1, 2014 | September 1, 2014 |
- F. On Page 4-1, Submittal Requirements, first sentence under DPW Contract Office address, delete “May 20” and insert “June 3” for date Bids are due.
- G. On Page 4-2, Required Bid Forms, under second set of bullet points (these do not need to be included with the bid), insert “FORM DPW-127A” and “FORM DPW 127B”.
- H. On Page 4-3, Required Bid Forms summarized, after Form J1 insert the following bullet points:
- DPW-127A – Performance Bond Form: This form does not need to be submitted with the Bid.
 - DPW-127B – Payment Bond Form: This form does not need to be submitted with the Bid.
- I. On Page 4-7, Section 4.2.7, seventh bullet point, delete “cubic yards” and insert “tons”.

- J. On Page 6-1, Section 6, Invitation To Bid, third line of first paragraph, delete “May 20” and insert “June 3”.
 - K. On Page 6-6, Section Bid Form, Alternate A-6, delete “recycle/reuse” and insert “recycle or dispose”
 - L. On Page 6-7, Section Bid Form, Alternate A-10, “delete 30,001-“ so that A-10 reads “40,000 tons/year, to process, haul, and compost yard wastes”
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- II. Any revisions to any of the contract documents made by this Addendum shall be considered as the same revision to any and all related areas of the contract documents not specifically called out in this Addendum.
 - III. Pre-Bid Conference Minutes. The minutes, including bidders’ questions and responses, and sign in sheets from the Pre-Bid Conference are included.
 - IV. Responses to Bidders Written Questions including the following attachments:
 - Copies of Form Ds (2011 – 2013)
 - Form DPW-127A
 - Form DPW-127B

**Pre-Bid Conference Minutes
Provision of Transfer Stations and Self Help Centers Operation
With Associated Hauling and Disposal Services
City Of Milwaukee
Official Notice 46-1-2014**

A pre-bid conference was held on April 30, 2014. A site visit of both Lincoln Avenue and Industrial Road facilities was conducted before the meeting. The minutes from the Pre-Bid meeting are as follows.

- 1) **Introductions and Sign-In Sheet.** City staff was introduced and a sign-in sheet was circulated and is attached.

- 2) **Additional Site Visits:** Additional site visits may be requested in writing to the Commissioner (Section 1.9).

- 3) **Questions/Clarification of Bid Documents:** Bidders shall submit questions to the Commissioner in writing by the end of business on Friday – May 2, 2014. Questions can be emailed to wanda.booker@milwaukee.gov or faxed to (414) 286-3344.

Wanda Booker noted the discussions were being recorded and minutes were being taken. An Addendum would be issued with changes and clarifications of the documents. The written Addendum would be the legal answer and take precedence over any verbal comments made during the Pre-Bid Conference.

4) **Procurement Schedule:**

April 30, 2014	Site Visit and Pre-Bid Meeting
May 2, 2014	Deadline for bidders written comments
May 7, 2014	Issue Addenda to Bid Specifications

The following dates have been changed from previously published dates based on concerns with the tight timeline for start of new contract:

June 3, 2014	Bids Due and Open
Within 30 days	Recommend Award
September 1, 2014	New Contract Starts

5) **Basis of Payment:**

- Unit price contract – price per ton. Separate line for state landfill taxes per ton.
- Bidder shall estimate the percentage of the Bid Price to be allocated to the variable cost as defined in Section 1 of the Bid Spec.

- Bidder shall estimate the percentage of the Bid Price to be allocated to the operating cost as defined in Section 1 of the Bid Spec. The Operating Cost is used for determining SBE and RPP requirements.
- The City shall make a CPI cost adjustment based on the variable cost, as stated in the Bid Proposal, commencing July 1, 2015, and on July 1 of each subsequent contract year (Section 1.13).

6) **Improvements:** In the event Contractor elects to install improvements, Contractor will be totally responsible for all costs and must receive Commissioner's approval. The City shall own all improvements, whether installed by the City, the Contractor or other party at the conclusion of the term of the Contract (Section 2.2.5).

7) **Self Help Centers:** A minimum of 4 roving attendants at Lincoln Avenue and 3 roving attendants at Industrial Road (Section 3.1).

8) **Submittal Requirements – Section 4:**

Part I – Required Bid Forms and Unit Prices Bid

Part II – Technical Proposal

If any of the submittal requirements are omitted or any exceptions to the technical requirements or contractual terms and conditions are taken, then the Bid may be deemed non-responsive. Disclosure of Ownership for applies if bidder has an affiliated construction company that has violated Prevailing Wage Rates. If not applicable, note same and submit with bid. If Parental Guarantee not applicable, note same and include it with the bid.

9) **Small Business Enterprise (SBE)/Resident Preference Program (RPP)/Service Contract Wage Provisions – Section 7:** SBE participation is 25% of the annual dollar value of the operating costs as defined in the bid spec. A list of qualified firms is listed on the City's website. RPP is 40% of all hours worked on the contract. The RPP should be reached over the life of the Contract. There is no need to layoff existing workers to meet the goal. The current Living Wage is \$9.51/hr.

10) Questions Asked During the Pre-Bid Conference - City responses are in bold.

Questions from Lynn Morgan – Waste Management

- a) On the Bid Form No. D – Total Contract Price (Leave blank. To be calculated by the City). What calculation will the City make in completing D?

The City will calculate this amount by taking the unit price for each bid item multiplied by the estimated annual tonnage for that bid item times the 7 year life of the contract. The variable contract cost will be adjusted by a fixed CPI of 2% compounded annually. The fixed 2% is assumed only for the purpose of calculating the lowest total contract price. The basis of the Contract Award will include the State Landfill Fees, where applicable, in the total contract price.

- b) On the Bid Form, page 6-7, Option A-9, MRF Rejects and Residue. Where would it be hauled from?

MRF Rejects and Residue would be hauled from the City's Materials Recovery Facility located at 1313 W Mt Vernon (Page 1-14).

- c) If Addendum triggers additional questions, will there be a mechanism to seek further clarification?

Yes. Additional questions can be emailed up until May 16th.

Comment from Chris Rooney – Advanced Disposal

- a) On the Timeline – the bid is due May 20th with award date 30 days after that, leaving 10 days to acquire a significant amount of capital. Has the City considered that if competitive bids are truly of interest, that's not enough lead time from notification to secure equipment required to meet contract requirements?

Addendum No. 1 changes to the Procurement Schedule addresses this question.

Attachment: Sign in Sheets – Lincoln Avenue and Industrial Road Facilities

RESPONSES TO BIDDERS WRITTEN QUESTIONS
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The following bidders have submitted written questions to the Commissioner. The questions and the City's response are provided. The City's responses are shown in bold.

A. The following written questions and comments were forwarded from Jason Johnson – Municipal Market Manager, Advanced Disposal.

1. Section 1.4.2, Bid Item No. 2: Yard Waste. How is this different than Section 1.4.3 Alternate A-10-Yard Waste?

Bid Item No. 2 is yard waste currently collected by the City. Alternate A-10 requests a unit price per ton for future anticipated tons up to a total of 40,000 tons of yard waste.

2. Section 2.1, Bullet 8: How is this different than Alternate A-3?

Bullet point 8 under Section 2.1 relates to maintaining storm water and process water at the Transfer Station sites. Alternate A-3 is accumulated debris from City catch basins. This material is nonhazardous, and contains free liquid.

3. Please provide a copy of the Plan of Operations for Lincoln Avenue and Industrial Road transfer stations.

A copy of the operating plan for Lincoln Avenue and Industrial Road transfer stations is included as Attachment 4 in the Bid Specification.

4. Section 2.3.6: Please provide a copy of the current maintenance plan and schedule for the interior and exterior of the Lincoln Avenue and Industrial Road facilities?

Not available.

5. Section 2.3.10: Please provide a copy of the currently acceptable routes for transfer tractors and trailers?

City staff identified a few acceptable routes for the transfer of solid waste from Lincoln Av Transfer Station to Orchard Ridge Landfill. The two primary routes used are 1) W Lincoln Av west to Miller Parkway, north to W Greenfield Av, west to S 108th St, north to Orchard Ridge Landfill and 2) W Lincoln Av west to Miller Parkway, north to STH 41N, northwest to W Lisbon, northwest to W Appleton Av to Orchard Ridge Landfill.

City staff has identified a few acceptable routes for the transfer of solid waste to Emerald Park Landfill in Muskego for vehicles not to exceed 13'6" in height or 150,000 lbs. since bridge clearance or structural weight capacity have not been reviewed. From Lincoln Av site - 1) W Lincoln Av east to S 35th St, south to W Forest Home Av, southwest to Emerald Park Landfill 2) W Lincoln Av west to Miller Park Way, north to I-94 west to Emerald Park Landfill. From Industrial Rd site – N Industrial Rd north to W Green Tree Rd, west to N 76th St, south to W Silver Spring Dr, west to N Lovers Lane Rd (STH 100) south to Orchard Ridge Landfill.

6. Section 3.1, Bullet 6: Is the Contractor responsible for major maintenance to pavement and fence (repaving, patching, crack filling, replacing damaged fence, etc)?

The second paragraph in Section 2 states "All necessary capital improvements for the Transfer Station buildings, site (e.g., paving, fencing, etc.), and scale houses will be performed by the City. The contractor is responsible for maintenance to the Transfer Station buildings, site, and scale houses."

7. Please confirm the maintenance/repair of the existing transfer station floors and the responsibility of repairs.

Not available.

8. Section 3.1.3, Bullet 3: What type of anti-icing material is available from the City, and what is the unit cost?

The successful bidder will be able to purchase bulk rock salt from the City for winter road maintenance at self help and transfer stations based on the City's purchase price effective each winter. For 2013-14, the City paid approximately \$50 per ton for salt. Salt is anticipated to be rebid for the 2014-15 season.

9. Section 3.1.4: Contract may use existing scales at both transfer stations. If these scales were to fail during the term of the agreement, the Contractor will be required to replace. Should this occur, will the newly installed scale become the property of the City at the end of the term?

Refer to Section 2.2.4. All improvements of whatsoever nature to the transfer station sites shall become the property of the City.

10. Are the current security cameras and monitoring systems owned by the City?

Both Lincoln and Industrial Road Self Help Centers have security cameras that are installed and monitored by the City. The security camera at Northwest Transfer Station is owned by

the City and monitored by the current contractor. The security camera at Lincoln Transfer Station was installed by the current contractor.

11. Please provide copies of the last three years Department of Public Works Small Business Enterprise Program, Form D-SBE Monthly Report for the current contract.

See Attachment. Form D – Historical.

12. What is the available power supply for solid waste compactors at Lincoln Avenue and Industrial Road transfer stations?

Utility service entrance, lighting and distribution are 480/277 volt 3 phase 4 wire at both locations. There is also limited 208/120 volt 3 phase 4 wire via transformers for branch circuit wiring at both locations.

13. The proposed agreement requires all installed equipment to remain at the transfer station upon termination. Please confirm that the current agreement has a similar provision and, if so, confirm which equipment is currently installed at the facilities and which will remain there upon termination of the current agreement?" (provide copy of current Contract between Waste Management and City)

A written contract clarification dated March 10, 2004 states "If the vendor chooses to install new compactors, such new compactors shall belong to the contractor at the end of the contract period. The contractor shall pay any costs associated with removing the present compactors and disposing of them for their scrap value. Any salvage proceeds resulting from disposition of the compactors shall be credited to the City in the contractor's next monthly invoice. Contractor shall also be responsible for all costs associated with installing its new compactors. At the end of the contract period the contractor shall have the choice of leaving the new compactors in place, removing them at its expense, or selling the new compactors to a subsequent contractor."

14. Is the City requesting two bonds? One performance bond and one payment bond? Or one performance/payment bond?

One Performance Bond (DPW-127A) and one Payment Bond (DPW-127B). Forms are included in Addendum No.1.

15. Section 5.19.6 states that Contractor will indemnify the City for, among other things, any claims against the City which may be brought against the City in consequence of the granting of the Contract. Please clarify that this would only apply to the extent the claim is a result of Contractor's misrepresentations in inducing the City to enter into a contract with us.

Yes. That is the intent of this provision.

16. Section 5.19.10. The last sentence in this section states that "A memorandum of this provision shall be recorded by the Contractor on any privately owned site used by the Contractor for the performance of the work specified in the Contract." Please provide a copy of the proposed memorandum that is referred. Please describe how it would apply to property that is not owned by Contractor but rather by another entity.

There is no particular form for this provision. If the Contractor defaults, the City has the right to use privately owned facilities, including those not owned by the Contractor.

17. US Longshoremen and Harbor Workers Compensation Act would not be applicable to this work. If at any time Contractor is made aware that work will be done on or near navigable waterways, please let us know so that we can reassess the need for this coverage.

This coverage is only necessary "if transport of waste of any type includes delivery to sites where material is stored adjacent to navigable bodies of water or must be loaded on vessels, scows, barges, etc."

18. Please provide a window for secondary questions that may be warranted as a result of the first round of answers.

Secondary written questions will be allowed to be emailed until the close of business on May 16, 2014.

- B. The following written questions and comments were provided from Lynne Morgan – Public Affairs Manager, Waste Management of Wisconsin, Inc.

1. TRANSFER STATION REQUIREMENTS - Please indicate that the City will allow the Contractor to transport waste at truck weights approved by the Wisconsin Dept. of Transportation on at least one reasonable route to the Contractor's facilities. The specifications allow the Commissioner to limit shipping and approve DOT weight limits by permit (p. 2-2). See also 2.3.10/Permits, p. 2-7, stating DPW will honor DOT weights if there's no adverse impact to City structures. The ability to operate at DOT-approved weights dramatically reduces the cost of transporting City waste. Providing assurance that at least one route will be approved to each facility will enable bidders to provide optimal pricing. Please clarify that the requirement to remove waste within 24 hours does not apply to waste delivered on a Saturday. Waste received at the transfer stations after landfills have closed on Saturdays may not be removed until the following Monday. Landfill

hours are typically regulated under agreements with host communities that may not allow operation on Sundays.

The contractor will be allowed to transport waste at truck weights approved by the WI DOT on at least one reasonable route to the Contractor's facilities. Removal of waste within 24 hours does not apply to waste delivered on a Saturday.

2. PRICE INCREASES - Please confirm that the price adjustment provisions will apply to all alternates accepted, not solely to services included in the Bid Price.

Yes. The price adjustment provisions will apply to all alternates accepted.

3. ASSIGNMENT AND SUBLETTING - Section 5.19.2 specifies that "The Contractor shall not subsequently assign this contract or any interest therein, nor subcontract the work or any part thereof, without written consent of the Commissioner having first been obtained." If the Contractor's Plan of Operation submitted with the Technical Proposal identifies all subcontractors to be used, is further approval necessary? If so, when can that be obtained? If approval is required when changing subcontractors, can provision be made for emergency replacement pending approval?

If the bidders' plan of operation submitted with the Technical Proposal identifies all subcontractors to be used, no further approval is needed. Provision can be made for emergency replacement of subcontractors pending approval.

4. MRF RESIDUE & REJECTS - The definition of "solid waste" includes MRF Residue and Rejects. Is MRF waste included under Bid Form No. A for solid waste as well as Alternate A9 (p. 1-7)? The definition of "Rejects" states that the MRF operator will pay, but there's no parallel statement in the definition of "Residue." Would MRF waste be received and billed under a contract with an entity other than the City?

MRF Residue and Rejects are not included under Bid Form No. A. MRF Residue and Rejects would be hauled from 1313 W Mt Vernon and paid for by the City with other parties' costs reimbursed to the City.

5. UNACCEPTABLE WASTE - Please expand the definition of "Unacceptable Waste" to include recyclables such as major appliances, tires and electronics banned from disposal under Wisconsin law (p. 1-7). The Contractor must accept waste from third parties as directed by the City (1.3.1 on p. 8-1), but isn't clearly authorized to reject and chargeback for handling unacceptable waste delivered by those third parties (2.3.3 on p. 2-4). The Contractor's

employees may not be qualified to reload hazardous wastes as specified; please allow reloading by the Contractor's designee.

We will follow up with this response.

6. CONSTRUCTION & DEMOLITION DEBRIS - Alternate A6 refers to direct hauling 10,000 tpy of C & D to a "processing site/landfill" for "recycle/reuse." Is the reference to a landfill an oversight? Alternatively, if this is demolition material that may require landfilling due to the presence of asbestos or other hazards, it will be difficult to compare blended rates for recycling and landfilling. Pricing is requested for significantly more C & D debris than the City has historically provided under the current contract. What are the sources of the increased volume?

Addendum No. 1 addresses this issue. The 10,000 tons per year represents debris from City crews doing demolition of condemned City properties.

7. CATCH BASIN DEBRIS - Please provide additional information, such as the locations at which this material would be received and the anticipated volume at each location.

An estimated 5,000 tons of Catch Basin Debris is currently direct hauled by City of Milwaukee tri-axle dumps, Vac-Alls, Vac-Cons and Hydro-Cranes to a processor on Jones Island.

8. YARD WASTES - Is alternate A-10 the same material and process as Bid Item No. 2, but for an incremental 10,000 additional tons?

Yes. Bid Item No. 2 is yard waste currently collected by the City. Alternate A-10 requests a unit price per ton for anticipated additional yard waste up to a total of 40,000 tons.

9. **OPERATING COST** Under Bid Form Item F, what is the purpose of requesting an operating cost and how will it be used in evaluating bids? If the SBE utilization requirement is based on operating cost, does this mean that each bidder will in effect set its own SBE goal? Item F references "tipping fees." Please note that the possible typo in the definition of "tipping fee," which is defined as "cost per ton *paid to the City* under the Contract."

Addendum No. 1 addresses the tipping fee definition. The SBE requirement for this contract is 25% of the annual dollar value of the Operating Costs as defined in the Bid Specification.

Operating costs include all non-Capital costs, measured on an annual basis, associated with operation and maintenance of the Transfer Stations and Self Help Centers. These costs do not include the cost to the Contractor for disposal of Solid Waste at a licensed facility or depreciation on equipment.

10. **SUBMITTAL REQUIREMENTS/DESCRIPTION OF FACILITIES** Requesting landfill filling rates in tons per day rather than yards will avoid the inaccuracies associated with converting varying waste densities from tons to yards (4.2.7, pp. 4-7 and 4-8). For all facility types, please require copies of all current permits, not both current and historic permits.

Addendum No. 1 revises Section 4.2.7 to read “tons” instead of “yards.”