



ADDENDUM NO. 5
Issued August 31, 2016
TO
REQUEST FOR PROPOSALS (“RFP”)
FOR
TRANSPORTATION AND/OR DISPOSAL OF ASH RESIDUE
FROM THE CSWS RESOURCE RECOVERY FACILITY
(RFP Number 17-EN-001)

(RFP Issued July 19, 2016)

Note: Proposers are required to acknowledge this and all Addenda in Section 6(a) of the Proposal Form (Section 4.1 of the RFP Package Documents).

1. ADMINISTRATIVE CORRECTION – PROPOSAL BOND

As per this Addendum, in the Proposal Bond Form (Proposal Form 15 – Section 4.15 of the RFP Package Documents), the proposal date within that form is hereby changed to the Due Date for submittal of Proposals (September 8, 2016). A “redline” of this change is attached to this Addendum 5. A “clean” copy (in Microsoft Word format) of this revised Proposal Form 15 has been posted on MIRA’s website at www.ctmira.org/business-links/current-bids-rfp-rfq/ with other documents related to this RFP.

2. RESPONSES TO QUESTIONS

1.	Question	Can you tell me if and how they condition the ash prior to shipping it. It will help in the evaluation of getting an ADC approval.
	Answer	<p>The ash residue generated by MIRA’s RRF consists of fly ash combined with bottom ash. The fly ash is comprised of particulate matter that is removed from the flue gas by fabric filter bags that are located in the baghouses. The fly ash consists predominately of 1) pebble lime that is slaked and introduced into the flue gas upstream of the baghouse to neutralize acid gases, and 2) incompletely combusted particles of MSW, or products of incomplete combustion, that are contained in the flue gas. The fly ash is removed from the filter fabric bags and conveyed to a pugmill where it is combined with water to minimize dust generation.</p> <p>The bottom ash consists of non-combustible material that is removed from the bottom of the combustion boiler. The bottom ash is conveyed through a quench bath after which it is amended with dolomitic lime.</p> <p>The fly ash and bottom ash are combined prior to delivery of the ash to the ash loadout building.</p>
2.	Question	Proposal Form 3, Section 5 states that a fuel price of \$3.397 per gallon will be used to set the transportation baseline price; however, today’s actual fuel price is well below \$3.00 per gallon. If a transportation provider used today’s actual fuel price in their bid, they could be materially underbidding the work and not entitled to any fuel surcharge until the actual fuel price rose above \$3.397 per gallon. Should transportation pricing be provided based on a fuel price of \$3.397 or on today’s actual fuel price? We suggest that MIRA clarify this point or require bidders to specify the fuel price used in preparing their bids so that MIRA can properly compare transportation prices.
	Answer	<p>As noted in Proposal Form 3, transportation prices are set assuming a fuel price baseline of \$3.397. \$3.397 is the average price of diesel fuel for the three year period from June 2013 through May 2016 per the Bureau of Labor Statistics index referenced in Exhibit C (Series ID APU010074717). Transportation price is to be quotes based on this baseline.</p> <p>MIRA has used this price to establish a baseline fuel surcharge price</p>

		<p>range of \$3.300 to \$3.399. For each month of service in which the diesel price specified in the Bureau of Labor Statistics index referenced in Exhibit C (Series ID APU010074717) is either above \$3.399, or below \$3.300, the Transportation portion of the Services (i.e., the Base Transportation Price) will be subject to a fuel price adjustment (an increase if above \$3.399; a decrease if below \$3.300) as specified in Exhibits B and C of the Agreement (Section 5 of the RFP Package Documents).</p> <p>As per Section 3.3 of the Agreement (Section 5 of the RFP Package Documents), the fuel surcharge calculations will be effective as of the first day of each month (including January 1, 2017, the start date of the Agreement).</p> <p>As an example, if the monthly diesel fuel index price for the first month of the contract (January 2017) is determined to be \$2.300 per gallon, then the Base Transportation Price for that month would be <i>decreased</i> by the per ton dollar amount associated with the fuel price range of \$2.300 – \$2.399 as indicated on Exhibit C of the Agreement.</p> <p>Alternatively, if the monthly diesel fuel index price for the first month of the contract (January 2017) is determined to be \$4.300 per gallon, then the Base Transportation Price for that month would be <i>increased</i> by the per ton dollar amount associated with the fuel price range of \$4.300 – \$4.399 as indicated on Exhibit C of the Agreement.</p>
3.	<p>Question</p> <p>Answer</p>	<p>Per Proposal Form 3, Section 5.1, the fuel surcharge calculation uses a vehicle load weight of 20 tons. However, Addendum 3 to the RFP states that the actual average load weight ranges from 22 to 23 tons, depending on the type of vehicle used. Will the fuel surcharge calculation in the contract be based on a weight of 20 tons or the actual load weight averages of 22 to 23? Given that the difference is more than 10 percent, we suggest that MIRA clarify this point or require bidders to specify their expected load weights so that MIRA can properly compare transportation prices.</p> <p>The fuel surcharge in the final Agreement will be based on the fuel surcharge methodology specified in the RFP, and any subsequent modifications agreed to during final contract negotiations between MIRA and any Proposer(s).</p> <p>As noted in Proposal Form 3, the per-ton fuel surcharge adjustment is to be calculated on the basis of twenty (20) tons per load.</p> <p>Based on the logistics of their fleet, if a Proposer wishes to propose that a different tons-per-load weight be used in the fuel surcharge calculation in the final agreement, they should utilize the Business Exception Form (Proposal Form 12 – Section 4.12 of the RFP Package Documents) to note their exception, reasoning for the exception, and proposed alternate. Proposers are free to use this form to propose other alternates such as miles</p>

		per gallon. MIRA reserves the right in final contract negotiations to request a modification of the tons-per-load used in the fuel surcharge calculation based on the transportation logistics proposed by a Proposer in their proposal.
4.	Question	Given that today's fuel prices are at 10-year lows, how will MIRA give consideration to future fuel price escalation and the exposure risk in evaluating potential disposal locations? Disposal locations that are closer to the Hartford facility provide MIRA with much less impacts of cost increases when fuel prices climb. As MIRA is the sole entity that would be impacted by fuel price increases, distant disposal sites would pose appreciable financial risk to MIRA.
	Answer	MIRA will consider all of the potential cost-escalation risks in each proposal including the potential for fuel increases that may impact the Transportation portion of the Services as well as any price escalations in Section 2-4 of the Agreement.
5.	Question	As an agency of the State of Connecticut, how will MIRA give consideration to the overall benefits to Connecticut's residents in evaluating proposals? Such benefits may include the use of Connecticut-based providers and facilities that pay Connecticut taxes, employment opportunities to residents and taxpayers of Connecticut, in-state vehicle fueling and associated taxes, and community host fees paid to Connecticut's municipalities or other in-state entities. We suggest that MIRA require bidders to provide a breakdown of services provided by Connecticut-based firms and facilities, including the number of project dedicated employees residing in Connecticut, in order for MIRA to compare the bidders' overall benefits to the State of Connecticut.
	Answer	Section 24.1 and Section 24.3 of the Request For Proposals (Section 1 of the RFP Package Documents) indicate the criteria which will be used to evaluate the proposals. Criteria such as those cited in the question if considered in the evaluation would fall into criteria #8 in Section 24.1

END OF ADDENDUM 5

PROPOSAL BOND FORM

Any singular reference to Contractor, Surety, Owner or other party shall be considered plural where applicable. The below addresses are to be used for giving required notice.

PROPOSER (Name and Address):

SURETY (Name and Address of Principal Place of Business):

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OWNER (Name and Address):

Materials Innovation and Recycling Authority 200 Corporate Place, Suite 202 Rocky Hill, CT 06067
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PROPOSAL

DUE DATE:	January 1, 2017 <u>September 8, 2016</u>
AMOUNT:	
PROJECT DESCRIPTION <small>(Including Name and Location):</small>	Transportation and Disposal of Ash Residue from the CSWS Resource Recovery Facility. 300 Maxim Road Hartford, CT 06114

BOND

BOND NUMBER:	
DATE <small>(Not later than Bid/Proposal Due Date):</small>	
PENAL SUM:	DOLLARS (\$ _____)

IN WITNESS WHEREOF, Surety and Bidder/Proposer, intending to be legally bound hereby, subject to the terms printed on Page 2 hereof, do each cause this Bid/Proposal Bond to be duly executed on its behalf by its authorized officer, agent, or representative.

BIDDER/PROPOSER

SURETY

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(SEAL)

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(SEAL)

Bidder's Name and Corporate Seal

Surety's Name and Corporate Seal

SIGNATURE:		SIGNATURE:	
NAME AND TITLE:		NAME AND TITLE:	

TERMS AND CONDITIONS TO BID/PROPOSAL BOND

1. Bidder/Proposer and Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors and assigns to pay to Owner upon default of Bidder/Proposer any difference between the total amount of Bidder's/Proposer's bid/proposal and the total amount of the bid/proposal of the next lowest, responsible and responsive bidder/proposer as determined by Owner for the Work/Service required by the Contract Documents, provided that:
 - 1.1 If there is no such next lowest, responsible and responsive bidder/proposer, and Owner does not abandon the Project, then Bidder/Proposer and Surety shall pay to Owner the penal sum set forth on the face of this Bond, and
 - 1.2 In no event shall Bidder's/Proposer's and Surety's obligation hereunder exceed the penal sum set forth on the face of this Bond.
2. Default of Bidder/Proposer shall occur upon the failure of Bidder/Proposer to deliver within the time required by the Bid/Proposal Documents (or any extension thereof agreed to in writing by Owner) the executed Agreement and related documents required by the Bid/Proposal Documents and any performance and payment bonds required by the Bid/Proposal Documents and Contract Documents.
3. This obligation shall be null and void if:
 - 3.1 Owner accepts Bidder's/Proposer's bid/proposal and bidder/proposer delivers within the time required by the Bid/Proposal Documents (or any extension thereof agreed to in writing by Owner) the executed Agreement and related documents required by the Bid/Proposal Documents and any performance and payments bonds required by the Bid/Proposal Documents and Contract Documents, or
 - 3.2 All bids/proposals are rejected by Owner, or
 - 3.3 Owner fails to issue a notice of award to Bidder/Proposer within the time specified in the Bid/Proposal Documents (or any extension thereof agreed to in writing by Bidder/Proposer and, if applicable, consented to by Surety when required by paragraph 5 hereof).
4. Payment under this Bond will be due and payable upon default by Bidder/Proposer and within 30 calendar days after receipt by Bidder/Proposer and Surety of written notice of default from Owner, which notice will be given with reasonable promptness, identifying this Bond and the Project and including a statement of the amount due.
5. Surety waives notice of any and all defenses based on or arising out of any time extension to issue notice of award agreed to in writing by Owner and Bidder/Proposer, provided that the total time for issuing notice of award including extensions shall not in the aggregate exceed 120 days from Bid/Proposal Due Date without Surety's written consent.
6. No suit or action shall be commenced under this Bond prior to 30 calendar days after the notice of default required in paragraph 4 above is received by Bidder/Proposer and Surety and in no case later than one year after Bid/Proposal Due Date.
7. Any suit or action under this Bond shall be commenced only in a court of competent jurisdiction located in the state in which the Project is located.
8. Notices required hereunder shall be in writing and sent to Bidder/Proposer and Surety at their respective addresses shown on the face of this Bond. Such notices may be sent by personal delivery, commercial courier or by United States Registered or Certified Mail, return receipt requested, postage pre-paid, and shall be deemed to be effective upon receipt by the party concerned.
9. Surety shall cause to be attached to this Bond a current and effective Power of Attorney evidencing the authority of the officer, agent or representative who executed this Bond on behalf of Surety to execute, seal and deliver such Bond and bind the Surety thereby.
10. This Bond is intended to conform to all applicable statutory requirements. Any applicable requirement of any applicable statute that has been omitted from this Bond shall be deemed to be included herein as if set forth at length. If any provision of this Bond conflicts with any applicable provision of any applicable statute, then the provision of said statute shall govern and the remainder of this Bond that is not in conflict therewith shall continue in full force and effect.