



CITY OF HOUSTON

Annise D. Parker

Mayor

P.O. Box 1562
Houston, Texas 77251-1562

Telephone – Dial 311
www.houstontx.gov

May 23, 2014

SUBJECT: Letter of Clarification No. 6

REFERENCE: Request for Proposal No. S10-T24905

ONE BIN FOR ALL, MUNICIPAL SOLID WASTE AND RECYCLABLES SERVICE FOR THE
CITY OF HOUSTON

TO: All Prospective Proposers:

This Letter of Clarification is issued for the following reasons:

- **Added:** Terms and Conditions Agreement labelled, "T24905 Terms and Conditions, LOC6."
 - **Revised:** Article 3.1, Submittal Procedure, Page 3: The Provision shall now read, "Two (2) copies of the Proposal, including one (1) printed original signed in BLUE ink, and additional (10) electronic CDs or Thumb Drives are to be submitted in a sealed envelope bearing the assigned Solicitation Number (located on the first page of the RFP document to: City Secretary's Office, City Hall Annex, 900 Bagby, Houston, Texas 77002."
- 1. Vendor Question:** "Regarding Proposal Format, Section 4.2 of the Special Instructions to Proposer, please specify which prices contained within the Proposal shall remain firm for a period of 180 days."
- COH Answer:** "All prices quoted in the Proposal must remain firm for a period of 180 days to allow time for final contract negotiation, approval by City Council and execution by the Mayor and Controller. The City may also request Proposers to submit a Best and Final Offer during this period."
- 2. Vendor Question:** "Under Special Instructions to Proposer, Section 9.1, please define 'Exceptions' in order to clearly understand whether the Proposal could contain deviations, conditions, additions, deletions, etc. Further, please categorize the different Exceptions and different level of impact in the evaluation process."

COH Answer: *"If the Proposer takes exception to any of the terms of the Request for Proposal (RFP), including any Clarification and the Contract Terms and Conditions being released today, the exception should be noted in the Proposal. The City will select the Proposal with the best overall value. Therefore, the impact will vary depending on the exception. There are some terms the City is not willing to negotiate, and other terms that have some flexibility depending on the attractiveness of the Proposal. In the past, some exceptions have been embraced when they point out the inapplicability of a standard municipal terms to the specific project at hand. This requirement is intended to have all Proposers identify potential issues up front and prevent surprises from arising during negotiations."*

3. Vendor Question: *"Regarding the Special Instructions to Proposer, Exceptions to Terms and Conditions, Section 9.4, please clarify the process of request for substitutions of subcontractors unilaterally made by the City and potential compensation from the City in case the conditions of the new subcontractors may affect the initial budget and conditions proposed to the City in the Proposal."*

COH Answer: *"There is no compensation consideration in this Section. This section only applies "After the selection process has completed" and will most likely arise if the resulting contract is not going well. Section 9.4 states that if the Prime Contractor wishes to utilize different subcontractors, the Prime must first get the City's consent. An example of when the City may take the initiative and suggest an alternative Subcontractor is where the Prime is failing to meet its 22% subcontracting goal and the City can help identify certified candidates."*

4. Vendor Question: *"Regarding Special Instructions to Proposer, Section 14 for Procurement Timeline/Schedule, due to the cancellation of the Pre-Proposal conference and the number of assumptions all Proposers must make before the City will respond to questions, we respectfully request a 60-day extension of the Proposal due date."*

COH Answer: *"The RFP Due Date has been extended from Thursday, June 12, 2014 to Thursday, July 10, 2014 by 2:00 p.m. CST."*

5. Vendor Question: *"Regarding Uniform Instructions to Offerors referencing Section 20, please clarify the process of combining and consolidating Proposal unilaterally by the City and the potential compensation from the City in case the conditions of the new combination or consolidation were to affect the budget and conditions proposed to the City in the Proposal. In any event, this right is expected to be exercised in a collaborative manner, taking into account the affected Proposers' views and concerns."*

COH Answer: *"This Provision allows the City, as in all RFPs that during the time of determining and negotiation a Proposer's solution, the City reserves the right to revisit the original scope of work and reduce it to obtain a best-value solution, by either accepting a Proposer's solution in part, and/or incorporating partial elements from a combination of other Proposers' Proposals."*

6. Vendor Question: “Regarding Uniform Instructions to Offerors referencing Section 22, please reconsider the requirement of a subcontracting plan at this Proposal stage. We suggest the City consider the possibility of providing a list of desirable subcontractors to be defined during the negotiation process.”

COH Answer: *“The Prime’s schedule of events does not require the Prime to identify all potential subcontractors upfront, as certifiable subcontractors may be used in one phase of work and not in work scheduled at later dates. All that is required is to utilize your upfront efforts to secure (with the City’s assistance) certifiable subcontractors that may be utilized in known phases of work, and that meet 22% of the estimated contract award amount. We are only concerned with your efforts to identify MWBE’s to meet your goal as opportunities are presented on the contract if you cannot identify fully how you will meet your goal at award time and believe you can satisfy this contract once other unknown variables are determined.”*

7. Vendor Question: “The Uniform Instructions to Offeror(s) Item 11 indicates that the City ‘will provide reasonable working space to the Prime Contractor.’ Please elaborate on ‘reasonable working space.’ Where will this space be? What can it be used for? During which phase can it be used?”

COH Answer: *“Since this contractor ‘work space’ will be on private property, the City shall assure that the Prime contractor shall have sufficient working space to perform its work.”*

8. Vendor Question: “The Uniform Instructions to Offeror(s) Item 13 indicates that Prime Contractor personnel ‘essential to the continuity, and the successful and timely completion of the project should be available for the duration of the project unless substitutions are approved in writing by the City Project Director.’ It seems like the Prime Contractor should have the ability to replace key personnel as needed without approval from the City. Can you please elaborate on the intent of this instruction?”

COH Answer: *“This item may be best addressed during any potential short-listed City to Proposers meetings.”*

9. Vendor Question: “The Uniform Instructions to Offeror(s), Item 14 lists a number of standard contractual requirements of the City. Will the City provide these documents as a future clarification? Are they available on the City’s website?”

COH Answer: *“These standard contractual terms are being provided as part of Clarification No. 6.”*

10. Vendor Question: “Under the Special Instructions to Proposer, Pre-Qualification Section 2.2, does the entity responding to the RFP have to be a separate legal entity or can it be a consortium between two entities, leaving the constitution of the legal entity as a requirement for award but for submission of the Proposal?”

COH Answer: *“The City needs to know who it will be contracting with prior to making the award.”*

11. Vendor Question: “Under the Procurement Timeline/Schedule, Section 14.1, when does the City of Houston expect to start contract negotiations with the preferred Contractor? When does the City of Houston expect to sign an Agreement with an awardee?”

COH Answer: *“Late Summer and late Fall, respectively.”*

12. Vendor Question: “Regarding Proposal Submittal Requirements, Clause 5.2 of the General Section, please consider the possibility of introducing Equity Members in a later stage.”

COH Answer: *“The requirement for Equity member letters only applies to joint ventures, partnerships and limited liability companies. The City needs assurances that the Proposal is authorized by each person or entity that will be legally bound should a contract be awarded.”*

13. Vendor Question: “Regarding Proposal Submittal Requirements, Section 5.8 of the General Section, please clarify what type of security and evidence will be required in order to demonstrate the Proposal fulfills the requirements described in this particular clause.”

COH Answer: *“Proposer should supply a legal Letter of Intent or Contract as evidence.”*

14. Vendor Question: “The Proposal Submittal Requirements Section 5.8.3 says, ‘Secure and provide evidence of a willingness to have a mutual cooperation relationship with the operator (Republic Services or its successor) of the City transfer stations.’ Does this mean that Republic (or its successor) will continue to transport all the City’s applicable waste from the transfer stations to the Resource Recovery Center instead of hauling the waste to landfills?”

COH Answer: *“Yes, the City currently has a contract with Republic for operation of the transfer stations and Republic will transport a number of tons to the Resource Recovery Center equal to what SWD delivers to the transfer stations.”*

15. Vendor Question: “Regarding the Proposal Submittal Requirements, Section 7.2, in order to ensure that the City receives the best possible response to this requirement, would it be possible to obtain an Excel version of the complete 2013 expenditure for the City’s solid waste program?”

COH Answer: *“See attached file, ‘SWD Budget LOC-6’.”*

16. Vendor Question: “Regarding the Proposal Submittal Requirements, Section 12.1, would it be possible to obtain a copy of Pay or Play Executive Order 1-7? Is it available on the City’s website?”

COH Answer: *“Attached is the Pay or Play link: <http://www.houstontx.gov/obo/popforms.html>.”*

17. Vendor Question: “Under the Proposal Submittal Requirements, General Section 5.7, are the project goals and objectives to be incorporated into a Service Agreement identical with those stated under Scope of Work/Definitions Section 3, Sub-Section 3.1”

COH Answer: *“The scope of work in this solicitation will be the foundation of a Contract; however, mutual negotiable solutions offered and accepted can change the contract’s final scope of work.”*

18. Vendor Question: “Under the Proposal Submittal Requirements, Technology Section 8.1, please respond to the six questions: 1) Will the energy efficiency, water efficiency and sustainability aspects of separation technology be evaluated per ton diverted or collected?; 2) Will the sustainability of site-related measures (e.g. impoundment and re-use of storm-water runoff) be evaluated?; 3) Will alternative energy production technology integrated into the facilities be evaluated per ton diverted or

collected?; 4) What are the criteria for the digestate from anaerobic digestion?; 5) Will heavy metals be allowed in finished compost?; 6) What kind of risk is envisioned with respect to proposed off-take/commodity?"

COH Answer: "1) No (see evaluation requirements 2.5); 2) No; 3) No; 4) This can be addressed in negotiations; 5) This can be addressed in negotiations; 6) This can be addressed in negotiations."

19. Vendor Question: "Under the Proposal Submittal Requirements, Sustainability Section 9.4, will environmental impact of facility operation be evaluated per ton of material diverted or collected?"

COH Answer: "No."

20-27. Vendor Questions:

"Regarding Proposal Submittal Requirements, Clauses 9.2.2 and 9.2.3 of the Sustainability Section, so that each Proposer is working from the same information, please find below questions related to the 'world class educational space' to be included:

20) What is the maximum anticipated occupancy for visitors?

COH Answer: "Approximately 100."

21) What are anticipated parking requirements related to visitors?

COH Answer: "City of Houston parking code requirements."

22) Can the city office space be included in this facility?

COH Answer: "Yes."

23) Do there need to be facilities for hands-on demonstrations?

COH Answer: "No."

24) Is fixed seating required for any presentation space?

COH Answer: "Not required, but preferred (approximately 50 seats)."

25) Will the plant tours be on foot or in small approved vehicles?

COH Answer: "On foot."

26) Will the city be providing the vehicles?

COH Answer: "N/A."

27) Will there be a requirement for storage/covered parking for the vehicles?

COH Answer: "N/A."

28. Vendor Question: “Regarding Evaluation Requirements, Section 2 for Evaluation Criteria, please provide further details regarding the relative weight of the different categories included in the Evaluation Criteria, in order to optimize the Proposal to be submitted to the City.”

COH Answer: *“The weights cannot be provided.”*

29. Vendor Question: “The Evaluation Criteria, Section 2.3.3 says, ‘Level to which the operation is willing to negotiate a zero-cost floor on the revenue share.’ Can you please explain what ‘zero-cost floor on the revenue share’ means in this context?”

COH Answer: *“A zero floor means that if the revenue share is not enough to cover the processing fee owed to the processor than the City pays nothing. Please see the equation stated in the Evaluation Criteria, Section 2.3.4; in a zero floor scenario the Net Cost to the City per ton will always be equal to or greater than zero dollars.”*

30. Vendor Question: “Under the Evaluation Requirements, Evaluation Criteria Section 2.3.3, please define the term ‘zero-cost floor.’ Under Section 2.5 for four questions: 1) Will the facility itself be evaluated for energy efficiency and greenness? 2) Will the facility’s ability to generate its own electric energy to offset operation of the machinery be evaluated? 3) What will be the weight assigned to third party certification, such as LEED, for the site and associated facilities be evaluated? 4) Will the Sustainability evaluation occur on a per-ton collected or per-ton diverted basis?”

COH Answer: *“A zero floor means that if the revenue share is not enough to cover the processing fee owed to the processor than the City pays nothing. Please see the equation stated in the Evaluation Criteria, Section 2.3.4; in a zero floor scenario the Net Cost to the City per ton will always be equal to or greater than zero dollars.”*

“1) No not specifically but the CO2 emissions from the technology will be included in the WARM data (see 9.4.1.1); 2) No, but on-site energy production or energy efficiency enhancements could lower the cost of operations for the proposer, as well as provide environmental benefits; 3) It will not be specifically evaluated, but many sustainability measures could lower the cost of operations; 4) No.”

31. Vendor Question: “Regarding Contract Terms and Conditions, please clarify whether this section will be related to entering into an Agreement among the City and the Proposer, or whether this Section will contain Terms and Conditions about the Agreement for the Public Private Partnership related to the Concession?”

COH Answer: *“See attached Contract Terms and Conditions between the City and winning Proposer as part of this Letter of Clarification No. 6.”*

32. Vendor Question: “Regarding Contract Terms and Conditions, will the Letter of Clarification(s) that contain the contract terms and conditions, as well as Exhibits C to I, be released for review and comment by the Proposers before the proposal due date? If so, when does the City anticipate issuing these Letters?”

COH Answer: *“See attached Contract Terms and Conditions as part of this Letter of Clarification No. 6, including Exhibits D to I.”*

33. Vendor Question: "Regarding the Scope of Work, Section 2.4 says, 'Arrangements for delivery and including any private sector waste would be up to the Proposers.' Does this mean that the Proposer will be responsible for the delivery of all waste (collected by the City, as well as by private sector) to the new Resource Recovery Center? Or will Republic (or its successor) haul the waste to the new Resource Recovery Center?"

COH Answer: *"The Proposer would be responsible for arranging for the delivery of any and all material to the new Resource Recovery Center excluding material directly hauled and delivered by the City to the new Resource Recovery Center. COH's contract directs Republic to deliver an equal number of tons to the Resource Recovery Center equal to what COH delivered to the transfer stations."*

34. Vendor Question: "Regarding the Scope of Work, Section 2.4, please confirm that 35% of Houston's total waste stream equates to **380,297** tons per year."

COH Answer: *"According to the TCEQ MSW Annual Review report for FY 2012 total tons disposed in the three landfills used by the City of Houston (McCarty, Atascocita, and Blue Ridge) is equal to 4,076,117. Therefore the percentage of total tons handled by the City of Houston out of the whole is closer to 10%."*

35. Vendor Question: "Regarding the Scope of Work, Section 2.8, the City of Houston owns three transfer stations which are currently operated under contract by Republic Waste Services. Does the City intend to continue to have the transfer stations operated under this contract after the construction of the new Resource Recovery Center?"

COH Answer: *"Yes, at least for the duration of the current COH transfer station contract."*

36. Vendor Question: "Regarding the Scope of Work, Exhibit "A" Definitions, please include definitions for all words, within the Request for Proposal and the Pro Forma related to the financial model which are highlighted or written in capital letters."

COH Answer: *"Please clarify with a list of specific words for definition."*

37. Vendor Question: "Regarding the Scope of Work, Exhibit "B," please confirm that the PPP Agreement among the City and the Proposer will cover the total amount of waste, and that the total amount of waste will be provided by the City to the Proposer."

COH Answer: *"The City will agree to deliver whatever tons collected by the City, but no tonnage quantities will be guaranteed, including but not limited to a floor quantity."*

38. Vendor Question: "Regarding the Scope of Work, Exhibit "B," we are kindly requesting that the City confirm that minimum conditions will be defined regarding the waste, in order to provide stability to the projected cash flows. (These minimum conditions would comprehend, but would not be limited to, minimum number of tons per year and minimum quality level of the waste. In case these requirements were not met, please elaborate on how the concession would be compensated in order to maintain the necessary stability to make the project bankable for financiers and equity providers. For avoidance of doubt, we understand that the "5. Estimated Quantities not Guaranteed" clause only applies for this contract, but the PPP Agreement to be entered into among the City and the Proposer will include guarantees from the City.)"

COH Answer: *"The City will agree to deliver whatever tons collected by the City, but no tonnage quantities will be guaranteed, including but not limited to a floor quantity."*

39. Vendor Question: "Regarding the Scope of Work, Exhibit "C" for Fees and Costs, please confirm that these fees and costs will be defined by the Offerors within their Proposal. For avoidance of doubt, are these fees and costs a description of the payments to be made by the Client to the Proposer, or are they fees and costs that the Proposer will have to pay to the Client in order to develop the Center?"

COH Answer: *"It would be the solution costs that the Client would pay out to the Prime."*

40. Vendor Question: "Under the Scope of Work/Definitions, Intent/Objective Section 3.1.6, how was the City's 2010 baseline WARM figure of 30,955 MTCO₂E derived? (Please give specific inputs to the model so that it can be reliably replicated.)"

COH Answer: *"The baseline was calculated on a macro basis in 2010. The WARM figure is the baseline that all future waste system operations should not exceed."*

41. Vendor Question: "Under the Scope of Work/Definitions, Intent/Objective Section 5.1, is there any possibility of a floor with respect to the tons of waste the City will provide?"

COH Answer: *"The City will agree to deliver whatever tons collected by the City, but no tonnage quantities will be guaranteed, including but not limited to a floor quantity."*

42. Vendor Question: "Under the Scope of Work/Definitions, Intent/Objective Section 3.1.10, could the City provide any further information or recommendations regarding potential tax incentives that might be available to the Center? Alternatively, does the City have a contact at a local economic development agency with expertise in these matters?"

COH Answer: *"The City is not offering any incentives at this time, but realizes they may be necessary. If tax or other incentives are vital to your Proposal, then please identify them. This may be an item for addressing during a short-listed Proposer-City meeting."*

43. Vendor Question: "Would it be possible for the SWD FY12 Budget Actuals and/or FY13 Budget Actuals be categorized by service and location? (See the attached Excel file as an example format.) The information provided by the City earlier via Phase II Evaluation Short-Listed Respondents' Letter of Clarification No. 1, in file 'SWD FY12 Budget Actuals.pdf,' does not provide the level of detail required to perform in-depth analysis."

COH Answer: *"See attached file, 'SWD Budget LOC-6'."*

44. Vendor Question: "Would it be possible for the City to provide detailed FY12 or FY13 collection, transportation and disposal costs for each type of collection service provided, including: a) number of routes/day; b) number of trucks/day; c) number of employees/route/day; d) labor; e) fuel; f) truck lease; g) maintenance; h) etc. [The information provided by the City earlier by Phase II Evaluation Short-Listed Respondents' Letter of Clarification No. 1, in file 'Variables_Assumptions.pdf,' does not provide the level of detail required to perform in-depth analysis.]"

COH Answer: *"See attached file, 'SWD Budget LOC-6'."*

- 45. Vendor Question:** "Please provide detailed information by service and location for the SWD FY12 Budget/Actuals FY12, e.g., transfer, landfill, collection by type, etc."
- COH Answer:** *"See attached file, 'SWD Budget LOC-6'."*
- 46. Vendor Question:** "Please provide detailed FY12 or FY13 collection, transportation and disposal costs for each type of collection service provided."
- COH Answer:** *"See attached file, 'SWD Budget LOC-6'."*
- 47. Vendor Question:** "With respect to quantity, the Specifications and Terms document identifies 435,693 tons that are "definitely included as tonnage for this project." However, the spreadsheet "Exhibit B-1a- WCS Overall Garbage.xlsx.xlsx" only identifies 409,772 tons. Which is correct?"
- COH Answer:** *"The 409,772 tons is the actual number of tons from calendar year 2013, and therefore the more accurate number."*
- 48. Vendor Question:** "With respect to Waste Characterization, why does C&D waste appear in it, when that is identified as a separate waste stream under Section 2.3.4.4?"
- COH Answer:** *"The C & D waste identified in the Waste Characterization report is generated by homeowners and is a part of the MSW the COH handles. The Section 2.3.4.4 C & D waste stream comes from COH Department of Public Works and Engineering generated flat construction."*
- 49. Vendor Question:** "With respect to Waste Characterization, the amount of yard waste collected as garbage is four times that collected on the dedicated yard waste route. Is this correct?"
- COH Answer:** *"No, that does not appear to be correct. The tons of yard waste collected are 16,024 tons, and the estimated percent in the waste characterization study is 41,656 tons, which is 2.6 times more."*
- 50. Vendor Question:** "With respect to Waste Characterization, the number of tires collected seems high and not typical of residential waste. What is the source of these tires?"
- COH Answer:** *"The tires category in the waste characterization study includes all tires, such as bicycle tires, lawnmower tires, and wheelbarrow tires not just passenger tires."*
- 51. Vendor Question:** "With respect to Waste Characterization, what is the sizing and composition of the fines; e.g. how much is organic, glass grit etc?"
- COH Answer:** *"The sizing of the fines is any material less than one inch by its longest dimension. This material falls through the screens used on the sorting tables. The fines were not categorized by material type."*
- 52. Vendor Question:** "With respect to Waste Characterization, what is the make up of 'Other Material' that comprises 5.9% of the overall waste stream?"

COH Answer: *“Other Material means material that cannot be put in any other type. This type includes mixed residue that cannot be further sorted. Examples include clumping kitty litter, cosmetics, desiccants and absorbent gels from broken open diapers, bags of mixed bathroom waste (Q-Tips, Kleenex, cotton balls, used toilet paper, hair clippings, etc.), artificial sponges, absorbent pads in deli meat trays, dryer lint, and other material that cannot be put in any other material category, including remainder/composite types. This also includes materials greater than one inch by its longest dimension but of an indeterminate material type.”*

53. Vendor Question: *“With respect to Waste Characterization, what specific materials are in the category ‘Other Plastics’?”*

COH Answer: *“Other Plastic means plastic that cannot be put in any other type. This type includes items made mostly of plastic but combined with other materials. Examples include all caps and lids, straws, and plastic coated metal kitchen utensils such as some whisks and spatulas.”*

54. Vendor Question: *“With respect to Waste Characterization, food waste is identified as part of the recycling stream. Is this correct?”*

COH Answer: *“Food waste is identified as part of the compostable stream.”*

55. Vendor Question: *“With respect to Waste Characterization, carpet and padding are identified as a significant portion of the residential waste stream. Is this correct?”*

COH Answer: *“The waste characterization shows carpet and padding to make up an estimated 0.8% with an error of +/-0.6% of the total residential waste stream. This is not considered a significant amount.”*

56. Vendor Question: *“With respect to Waste Characterization, treated and untreated wood are identified as a significant portion of the residential waste stream. Is this correct?”*

COH Answer: *“The waste characterization shows treated wood to make up an estimated 0.3% with an error of +/-0.2% of the total residential waste stream. The waste characterization shows untreated wood to make up an estimated 0.9% with an error of +/-0.4% of the total residential waste stream. Neither of these categories are to be considered significant amounts.”*

57. Vendor Question: *“With respect to Waste Characterization, please describe the protocol or method used to conduct the Waste Characterization Study.”*

COH Answer: *“Please see attached file, Waste Characterization Methodology.”*

58. Vendor Question: *“Regarding the results of the Waste Characterization Study, why for example does C&D waste appear in it, when that is identified as a separate waste stream in the Specifications and Conditions document? The amount of yard waste, four times (4X) that collected on the dedicated yard waste route seems out of place. Is this correct? (The number of tires collected seems high and not typical of residential waste at all.)”*

COH Answer: *“Please see responses to questions #48, #49 and #50.”*

59. Vendor Question: “Regarding Section 7.2 of the RFP, we request that the City provide its FY2013 cost in managing Municipal Solid Waste. Please confirm that the City’s current transfer and disposal services costs are consistent with information provided in the RFQ.”

COH Answer: *“The question needs some clarification to best answer. The intent of Section 7.2 is to underscore the requirement that the City not suffer an increase in costs compared with current costs.”*

60. Vendor Question: “Regarding Section 2.5 of the RFP, Does the City have any additional data regarding moisture content of the various MSW fractions, specifically the organic ones?”

COH Answer: “No.”

61. Vendor Question: “Regarding Exhibits, please provide an explanation of how the materials in Exhibits B-1a, b, and c relate to the materials listed in Exhibit B Scope of Work, and how the waste characterization was conducted.”

COH Answer: *“Overall Garbage is the sum of the garbage characterizations from each of the service areas. Similarly, Overall Recycle is the sum of the recycle characterizations from each of the service areas. The one just titled ‘Overall’ is the sum of Overall Garbage and Overall Recycle.”*

62. Vendor Question: “Regarding Exhibits, please confirm that Exhibit B-1c is the combination of B-1a and B-1b, and that the totals represent tons per year.”

COH Answer: *“See response to Q61.”*

63. Vendor Question: “Regarding Exhibits, please explain the meaning of Appendix B-1a. The total matches the total in 2.3.1.1 of Exhibit B Scope of Work, yet it includes material trash service, as listed in Section 2.3.1. Are these materials all coming from residential trash service, as listed in Section 2.3.1.1?”

COH Answer: “Yes.”

64. Vendor Question: “Regarding Exhibits, please explain the meaning of Appendix B-1b. How these materials are considered ‘recycle’? Is this the characterization of the streams listed in 2.3.1.2-2.3.1.4 of Exhibit B Scope of Work?”

COH Answer: *“Characterization of single stream material only, listed Section 2.3.1.2 of Exhibit B Scope of Work.”*

65. Vendor Question: “Regarding Exhibits, please explain what Exhibit C (to be provided later) will be used for, and is this for City fees and costs, or Proposer fees and costs?”

COH Answer: *“This would be the Proposer’s Fee Schedule/Proposed Solution.”*

66. Vendor Question: “Under the M/WBE Participation, Section 10.1, the article also references part 26 of 49 CFR, covering DBEs. Please confirm if all certifications, MWSDBE certifications count towards the goal?”

COH Answer: *“Any subcontractor who is certified through the City’s Office of Business Opportunity to do business with the City of Houston qualifies as verified subcontractors, but must be classified to perform the work tied to the contract’s scope of work. The SBE can only be used for goal credit on construction contracts and the DBE can only be used if the project has federal funding involved.”*

67. Vendor Question: “Regarding M/WBE Participation, if a firm is not certified at award, but later becomes certified, does their participation count? If so, at what point?”

COH Answer: *“Since the City maintains an updated directory of certified subcontractors, their M/WBE participation counts toward the subcontracting goal after they have become certified.” Their participation would only count after they are certified and the Prime submits a request to OBO, where they then are added for goal credit.”*

68. Vendor Question: “Regarding M/WBE Participation, if during the project a firm ‘graduates’ from the SBE classification, due to size or gross revenue changes, will payments made to the firm continue to count through the life of the firm’s contract?”

COH Answer: *“Yes they will continue to count until the project ends.”*

69. Vendor Question: “Regarding M/WBE Participation, if a previously certified firm does not recertify during the project, will the firm no longer count towards the goal?”

COH Answer: *“Yes, unless this project is a federally funded project the participation for an M/WBE firm who is certified and listed on the contract at award time, they will continue to receive credit for work performed and completed by them even if they do not renew their M/WBE certification with the City on the listed contract.”*

70. Vendor Question: “Regarding M/WBE Participation, considering that the City is expecting to close a Service Agreement with the Respondent for a long-term period, how is the City envisioning to assess the 22% MWBE Participation Goal: in phases (development, construction, operation), as an average of all phases or through a different approach?”

COH Answer: *“Through the entire contract term the Prime will be responsible for submitting monthly subcontracting participation results to the City’s Office of Business Opportunity, and so the City’s assessment is performed on an ongoing basis.”*

71. Vendor Question: “Regarding M/WBE Participation, does the City expect to reach the 22% goal per each phase individually, or as an aggregate?”

COH Answer: *“Though the intent is to reach the aggregate goal of 22%, this can be achieved incrementally throughout the term of the contract, or a combination of heavy-use/light-use scheduled events/projects.”*

72. Vendor Question: “Regarding M/WBE Participation, how is the operation phase going to be assessed, in specific periods, or at the end of the O&M period--at the end of the concession?”

COH Answer: *“Assessment of M/WBE participation is ongoing.”*

73. Vendor Question: “Regarding M/WBE Participation, how does the City envision assessing the difference of price today and in 20 years for quantifying that goal?”

COH Answer: "The City expects the Prime to carve out 22% of the work to certified subcontractors to perform. The work is measured in dollars. Therefore, if the price escalates each year, then the dollar value of the carved out work escalates so that the M/WBE subcontractor also benefits from any price escalation."

74. Vendor Question: "Regarding M/WBE Participation, please clarify if an M/WBE that has submitted the paperwork to the OBO but is waiting for resolution at the time of the RFP due date can count towards the goal? Could it be considered for an operation that will start at a later stage of the project?"

COH Answer: "At any phase of the contract period, a subcontractor may at any time begin the certification process to work on a specific phase with the Prime; however, the M/WBE participation only counts for their work performed once certified through OBO."

75. Vendor Question: "Regarding M/WBE Participation, please confirm in which cases from the Table 1 (Minority Participation Cases), that M/WBE participation counts for the purpose of this RFP, as we are interpreting that all the cases below would be compliant."

Table 1. Minority Participation Cases

Minority Participation Cases					
TIER 1	Prime		Prime		Prime
TIER 2	Large Enterprise X dollar amount contracted		Joint Venture (participation by 20% Large Enterprise- y% Minority Enterprise)		Joint Venture (participation by 20% Large Enterprise- y% Minority Enterprise)
TIER 3	Minority Certified Enterprise Y dollar amount	Minority Certified Enterprise Z dollar amount	Large Enterprise Z dollar amount	Minority Certified Enterprise Z dollar amount	Large Enterprise Z dollar amount
	Case A: Counts as (Y + Z) Large Enterprise in the middle of Prime and Minority Enterprise		Case B: Counts as y% of Z JV in the middle of Prime and Large Enterprise	Case C: Counts as y% of Z + Z dollar amount JV in the middle of Prime and Minority Enterprise	Case D: Counts as y% of Z + y% of W + W dollar amount JV in the middle of Prime and Minority Enterprise) Large Enterprise

COH Answer: "The bottom line is that any work that the subcontractor performs counts toward the 22% subcontracting goal if and only if that work is tied to the contract's scope of services."

76. Vendor Question: "Please provide us a formal reply for our time extension request letter dated April 28th, 2014."

COH Answer: "The RFP Due Date has been extended from Thursday, June 12, 2014 to Thursday, July 10, 2014 by 2:00 p.m. CST."

T24905 Letter of Clarification No. 6 (cont.):

When issued, Letter(s) of Clarification shall automatically become a part of the RFP documents, and shall supersede any previous specification(s) and/or provision(s) in conflict with the Letter(s) of Clarification. It is the responsibility of the Proposers to ensure that they have obtained any such previous Letter(s) associated with this solicitation. By submitting a response on this project, Proposers shall be deemed to have received all Letter(s) of Clarification and to have incorporated them into this RFP.

If you should have any questions or if further clarification is needed regarding this Request for Proposal, please contact me: greg.hubbard@houstontx.gov, or at 832.393.8748.

Sincerely,

Greg Hubbard

Greg Hubbard
Senior Procurement Specialist
Houston, Texas 77002
Phone: 832.393.8748

GH:JH:gh

