

### ADDENDUM NO. 2 Issued May 14, 2013

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## **REQUEST FOR PROPOSALS ("RFP")**

## FOR

## OPERATION AND MAINTENANCE SERVICES AND COMMODITY MARKETING FOR THE CONNECTICUT SOLID WASTE SYSTEM RECYCLING FACILITY

## (RFP Number FY13-OP-003) (RFP Issued May 3, 2013)

**Note:** Proposers are required to acknowledge this and all Addenda in Section 4 of the Proposal Form.

#### 1. REVISED DEADLINE TO SUBMIT PROPOSALS

As per this Addendum 2, the deadline by which sealed proposals must be submitted to CRRA, as specified in The Notice To Firms (Section 1 of the RFP Package Documents) and as specified in items 4.2 and 10 of the Instructions to Proposers (Section 3 of the RFP Package Documents) is hereby extended to 3pm on Thursday May 30, 2013.

#### 2. REVISED DEADLINE TO RESPOND TO WRITTEN QUESTIONS

As per this Addendum 2, the deadline by which CRRA will respond to written questions, as specified in 4.2 of the Instructions To Proposers (Section 3 of the RFP Package Documents) is hereby extended to Tuesday May 21, 2013.

#### 3. FTP DOCUMENT ROOM

CRRA is in the process of setting up an FTP "Document Room" to electronically share several larger documents with potential Proposers. Access to this FTP document room will be provided to all firms who have submitted to CRRA a completed Notice Of Interest Form (Section 2 of the RFP Package Documents) or attended a pre-proposal site tour of the CSWS RF with CRRA.

#### 4. REVISED PROPOSAL PRICE FORM

Attached hereto and made a part hereof this Addendum 2, is a revised Proposal Price Form (Section 5.2 of the RFP Package Documents).

#### END OF ADDENDUM 2

## PROPOSAL PRICE FORM

# Option 1: for combined operation and maintenance and commodity marketing services at the <u>csws\_CSWS</u>RF.

Instructions: Proposers submitting proposals under Option 1, as designated in Appendix A of the Instructions to Proposers (<u>Section 3.1</u> of the RFP Package Documents), should fill in the appropriate cells below.

#### 1.1 Pricing for CSWS Recyclables

This section shall contain the prices paid by the Contractor to CRRA for all CSWS recyclables delivered to the CSWS RF.

Overall, the price Proposer Agrees to pay to CRRA is represented by the formula below:

Amount to CRRA = Base Price/Ton + 50% (Commodity Sale Price – Threshold Price)

## 1.2 Base price per ton paid by Contractor to CRRA for all incoming CSWS Recyclables

In Table 1.1 below, enter the base price per ton Proposer agrees to pay CRRA for all Acceptable CSWS Recyclables delivered to the CSWS RF (based on incoming scale receipts).

<u> Table 1.1</u>

Base Price Paid by Contractor	\$	per ton
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#### **1.3** Revenue Share for Fiber Commodities within CSWS Recyclables

In addition to paying CRRA a base price for CSWS Recyclables as indicated in 1.1 of this Proposal Price Form, Proposer will pay CRRA a revenue share of the commodity sales of those CSWS recyclables. For the fiber portion, the commodity sale price will be based on the PPI Pulp & Paper Week (formerly Official Board Markets Yellow Sheet) price index. Thus for the fiber portion of the CSWS Recyclables the formula by indicating the price Proposer Agrees to pay CRRA is represented by:

Amount to CRRA = Base Price/Ton + 50% (PPI price index – Fiber Threshold Price)

In Table 1.2 below, enter the fiber threshold base price per ton Proposer proposes as part of this fiber revenue share for CSWS Recyclables.

Table	1.2

Outgoing Commodity	PPI/Yellow Sheet Price Index	Fiber Threshold Price	
Commingled Paper (Note: This is the current paper grade sorted at the CSWS RF - assumes no ONP is being sorted from this commingled paper - this is currently being sold as a #8 news but specification might vary depending on buyer spec.)	#8 News – High side, New York Market.	\$ per ton	
#11 OCC	#8 News#11 OCC – High side, New York Market.	\$ per ton	
Other Fiber Commodity (Please Specify)	Specify PPI/Yellow Sheet Index (high side NY market)	\$ per ton	
Other Fiber Commodity (Please Specify)	Specify PPI/Yellow Sheet Index (high side NY market)	\$ per ton	
Other Fiber Commodity (Please Specify)	Specify PPI/Yellow Sheet Index (high side NY market)	\$ per ton	
Other Fiber Commodity (Please Specify)	Specify PPI/Yellow Sheet Index (high side NY market)	\$ per ton	

## 1.4 Revenue Share for Commingled Container Commodities within CSWS Recyclables

In addition to paying CRRA a base price for CSWS Recyclables as indicated in 1.1 of

this Proposal Price Form, Proposer will pay CRRA a revenue share of the commodity sales of those CSWS recyclables. For the commingled container portion, the commodity sale price will be based on actual sales receipts which the Contractor receives for the sale of the commodities less a threshold price. Thus for the container portion of the CSWS Recyclables the formula by indicating the price Proposer Agrees to pay CRRA is represented by:

Amount to CRRA = Base Price/Ton + 50% (Commodity Sale Price – Threshold Price)

Please note that this pricing structure contemplates a \$0/ton price floor for each commodity and that the Contractor will bear all of the costs associated with a negative commodity value for any commodity (e.g. the cost to transport and market mixed glass for use as alternate daily landfill cover).

In Table 1.3 below, enter the <u>container fiber</u> threshold base price per ton Proposer proposes as part of this container commodity revenue share for CSWS Recyclables.

Outgoing Commodity	Commodity Sale Price	Container Threshold Price
Steel CansOther FerrousAluminum CansAluminum FoilPlastic – PETPlastic – HDPE NaturalPlastic – HDPE PigmentedPlastic - #3-7Aseptic ContainersPlastic – Bulky RigidsGlass – Marketable, color-sorted Flint/Clear	Based on sale receipts of outgoing commodities	\$ per ton
Glass – Marketable, color-sorted Amber/BrownGlass – Marketable, color-sorted GreenOther (please specify):		

*Table 1.3* 

#### 2. Pricing for Contractor-Sourced Recyclables

This section shall contain the prices paid by the Contractor to CRRA for all contractorsourced, non-CSWS recyclables delivered to the CSWS RF.

Overall, the price Proposer Agrees to pay to CRRA is represented by the formula below:

Amount to CRRA = Base Price/Ton + CRRA share % (Commodity Sale Price – Threshold Price)

#### 2.1 Base price per ton paid by Contractor to CRRA for all incoming Contractor-Sourced Recyclables

In Table 2.1 below, enter the base price per ton Proposer agrees to pay CRRA for all Acceptable Contractor-Sourced Recyclables delivered to the CSWS RF (based on incoming scale receipts).

*Table 2.1* 

Base Price Paid by Contractor for Contractor-Sourced Single Stream Recyclables	\$ per ton
Base Price Paid by Contractor for Contractor-Sourced Dual-Stream Recyclables	\$ per ton
Base Price Paid by Contractor for Other Contractor- Sourced Recyclables. Please specify:	\$ per ton

#### 2.2 Revenue Share for Fiber Commodities within CSWS Recyclables

In addition to paying CRRA a base price for Contractor-sourced Recyclables as indicated in 2.1 of this Proposal Price Form, Proposer will pay CRRA a revenue share of the commodity sales of those Contractor-sourced Recyclables. For the fiber portion, the commodity sale price will be based on the PPI Pulp & Paper Week (formerly Official Board Markets Yellow Sheet) price index. Thus for the fiber portion of the Contractorsourced Recyclables the formula by indicating the price Proposer Agrees to pay CRRA is represented by:

Amount to CRRA = Base Price/Ton + CRRA share % (PPI price index – Fiber Threshold Price)

In Table 2.2 below, enter the fiber threshold base price per ton Proposer proposes as part of this fiber revenue share for Contractor-sourced Recyclables.

Outgoing Commodity	PPI/Yellow Sheet Price Index	1	
Commingled Paper (Note: This is the current paper grade sorted at the CSWS RF - assumes no ONP is being sorted from this commingled paper - this is currently being sold as a #8 news but specification might vary depending on buyer spec.)	#8 News – High side, New York Market.	\$ per ton	%
#11 OCC	#11 OCC #8 News – High side, New York Market.	\$ per ton	%
Other Fiber Commodity (Please Specify)	Specify PPI/Yellow Sheet Index (high side NY market)	\$ per ton	%
Other Fiber Commodity (Please Specify)	Specify PPI/Yellow Sheet Index (high side NY market)	\$ per ton	%
Other Fiber Commodity (Please Specify)	Specify PPI/Yellow Sheet Index (high side NY market)	\$ per ton	%
Other Fiber Commodity (Please Specify)	Specify PPI/Yellow Sheet Index (high side NY market)	\$ per ton	%

#### 2.3 Revenue Share for Commingled Container Commodities within Contractor-Sourced Recyclables

In addition to paying CRRA a base price for Contractor-sourced Recyclables as indicated in 2.1 of this Proposal Price Form, Proposer will pay CRRA a revenue share of the commodity sales of those Contractor-sourced recyclables. For the commingled container portion, the commodity sale price will be based on actual sales receipts which the Contractor receives for the sale of the commodities less a threshold price. Thus for the container portion of the Contractor-sourced Recyclables the formula by indicating the price Proposer Agrees to pay CRRA is represented by:

Amount to CRRA = Base Price/Ton + CRRA share% (Commodity Sale Price – Threshold Price)

Please note that this pricing structure contemplates a \$0/ton price floor for each commodity and that the Contractor will bear all of the costs associated with a negative commodity value for any commodity (e.g. the cost to transport and market mixed glass for use as alternate daily landfill cover).

In Table 2.3 below, enter the <u>containerfiber</u> threshold base price per ton Proposer proposes as part of this container commodity revenue share for CSWS Recyclables.

Outgoing Commodity	Commodity Sale Price	Container Threshold Price	Proposed CRRA share %
Steel CansOther FerrousAluminum CansAluminum FoilPlastic – PETPlastic – HDPE NaturalPlastic – HDPE PigmentedPlastic - #3-7Plastic – Bulky RigidsAseptic ContainersGlass – Marketable, color-sorted Flint/ClearGlass – Marketable, color-sorted Amber/BrownGlass – Marketable, color-sorted GreenOther (please specify):	Based on sale receipts of outgoing commodities	\$ per ton	%

Table 2.3

## **Option 2: Lease Option.**

Instructions: Proposers submitting proposals under Option 2, as designated in Appendix A of the Instructions to Proposers (Section 3.1 of the RFP Package Documents), should fill in the appropriate cells below.

#### 1. Monthly Lease

Proposer shall agree to pay CRRA a monthly lease, as per the arrangement outlined in Appendix A of the Instructions to Proposers (Section 3.1 of the RFP Package Documents), in the following amount per month:

Monthly Lease Payment = \$\_\_\_\_ / Month.

## **Option 3: Operation & Maintenance Services Only.**

Instructions: Proposers submitting proposals under Option 3, as designated in Appendix A of the Instructions to Proposers (<u>Section 3.1</u> of the RFP Package Documents), should fill in the appropriate cells below.

#### 1. Monthly O&M Charge

Proposer shall charge CRRA a monthly fixed price, as per the arrangement outlined in Appendix A of the Instructions to Proposers (<u>Section 3.1</u> of the RFP Package Documents), in the following amount per month:

Monthly O&M Charge = / Month.

#### 2. Additional Variable Charges

If Proposer's Proposal contemplates additional variable charges in addition to a fixed monthly O&M charge (e.g. an additional charge if incoming recycling tonnage exceeds a certain threshold) please detail that proposed variable charge in the table below:

## **Option 4: Commodity Marketing Only**

Instructions: Proposers submitting proposals under Option 4, as designated in Appendix A of the Instructions to Proposers (<u>Section 3.1</u> of the RFP Package Documents), should fill in the appropriate cells below.

#### 1. Per Ton Commodity Marketing Charge

Under this Option 4, as per the arrangement outlined in Appendix A of the Instructions to Proposers (Section 3.1 of the RFP Package Documents), proposer shall charge CRRA a fixed price per ton for all outgoing recyclable commodities from the CSWS RF marketed by the Contractor,

<u>Monthly O&M ChargeCommodity Marketing Charge</u> = \$\_\_\_\_/ <u>TonMonth</u>.

#### 2. Additional Financial Arrangements

If Proposer's Proposal contemplates additional variable charges or revenue-sharing arrangements which Proposer believes will increase the revenues received by CRRA from the sale of outgoing recyclable commodities from the CSWS RF variable charges in addition to a fixed <u>Per Ton Commodity Marketing Charge monthly O&M charge</u> (e.g. an additional charge if incoming recycling tonnage exceeds a certain threshold) please detail those additional financial arrangements in the table below:

## Option 5: Marketing of CSWS Recyclables Via An Alternate Facility

Instructions: Proposers submitting proposals under Option 5, as designated in Appendix A of the Instructions to Proposers (<u>Section 3.1</u> of the RFP Package Documents), should fill in the appropriate cells below.

#### 1. Financial Arrangements

Using the space below and attaching additional pages as necessary, A Proposer submitting proposals under Option 5 should detail all costs and payments contemplated in the Proposer's proposal. This should include but not be limited to any fixed payments, revenue sharing payments, contaminated-load charges, and excess-residue charges.