

ACUA Single Stream Recycling Facility RFP Questions:

1. Please clarify the extension option? Is it available only in year eight, or any time after year eight? Is the intent to have the option offer 15 years total term (initial 10 years plus 5 years)?

As stated, the option to renew will be requested in year eight for an additional five years bringing the total to 15.

2. Does the processing equipment remain the property of the Proposer at contract end?

Yes, all equipment will remain property of the proposer at the end of the contract term.

3. Is there additional land available to the proposer on the ACUA site? Is the annual land lease intended to be for the building only?

Lease includes the current Recycling Center building only. Additional areas for service and truck parking (loading dock doors, etc.) have been stipulated.

4. To clarify, the "Land Lease agreement" language referenced in the RFP in section II(C) is for the lease of the existing MRF building and site?

The lease agreement is for specific areas of the building as stipulated in the RFP. The ACUA will continue to utilize a large portion of the parking area for ACUA trucks and employees as well as share certain office space as designated in the RFP and attachments.

5. Who is responsible for maintenance and replacement the infrastructure and building service systems of the existing MRF Building? Including but not limited to roof, sewer, water, electrical, sprinkler system, lighting, tip floor and asphalt roadways? Will the sprinkler system be tested before acceptance? Will the processing concrete floor be repaired before acceptance? Will all the roll-up doors be operational before acceptance?

Lessee will be responsible for building maintenance and the ACUA will have the sprinkler system tested prior to the lessee taking over. Once the lease begins, the lessee will be responsible to have the sprinkler system tested. Service doors will be operational prior to the lessee taking over.

6. Would the ACUA consider accepting additional volumes of glass from the ACUA program volumes or non-program volumes?

Yes, but such an agreement shall be negotiated outside of this RFP.

7. Glass is generally more than 10% of total Single Stream in New Jersey. In some cases its percentage of materials has actually increased. If glass is transported out of the facility above 10% it will be a net cost to the Authority against any potential revenue share. Further, contractors are incited by this restriction to put glass into the residue and adjusting pricing accordingly. Is this the Authority's intention? Would the Authority consider taking all glass received from its own program provided it meets the specification for maximum revenue?

The ACUA will accept 10% by weight of glass of materials brought in through its own program as long as it meets the specification of 3/8" and minus. Disposal above the 10% and of non-ACUA collected materials can be negotiated but it is not part of this RFP.

8. Should responders assume Authority is accepting glass at \$0 Tip Fee?

\$0 is for the first 10% by weight of the Authority's own collected material as long as it meets the 3/8" and minus with maximum 1% by weight of unacceptable material.

9. A typical single stream composition includes 18 – 20% glass. The RFP states the ACUA is willing to accept 10% processed to a 3/8 minus for beneficial reuse. Would the ACUA consider increasing the percentage of glass accepted on the ACUA program volumes to 20% consistent with a typical single stream composition? How will this limit be calculated? How does the Authority intend to enforce the 10% requirement?

The percentage will be calculated based on authority weight slips on a monthly schedule. Disposal of glass above 10% can be negotiated but is not part of this RFP.

10. Who is responsible for transportation of 3/8's minus glass to be re-used by the landfill?

The Proposer will be responsible for transportation of glass.

11. Please confirm the current ACUA disposal rate per/ton at the landfill where the facility residuals will be disposed?

The current rate per ton of type 10 waste is \$64.65.

12. Please confirm zero tip fees on residue up to 8% of volume?

The tip fee will be \$0 for 8% of residue by weight.

13. Who is responsible for the hauling of residuals from the MRF to the designated ACUA disposal point?

The Proposer will be responsible for hauling residuals. The proposer may hire the ACUA to haul the residuals in a contract separate from this RFP.

14. Can the ACUA provide detail specifications on the baler and baler feed conveyor, including at a minimum,(Make, Model, Date placed in service, Was equipment purchased new or used, hours, service and PM records)?

IPS Model # - TR-1388-200
 Horsepower – 200HP
 Main Cylinder Bore – 13”
 Startup date – January 2, 2007
 Operational hours to date – 2824
 Purchased New

15. If Proposer uses the Authority’s baler in its processing system, does the Proposer assume all responsibility and replacement liability should a major failure occur?

Yes, the proposer will assume all responsibility and liability should they use the ACUA’s baler in its processing system. Warranty coverage ended July 2009.

16. Does the facility currently have a “Class A” designation with the NJDEP? And is it part of the NJDEP Solid Waste Plan as an approved facility?

Yes, the facility currently has a NJDEP Class A designation and is authorized by the Atlantic County Solid Waste Management Plan.

17. Based on historical information, ACUA collects 42% of the total tonnage as commercial. Can the ACUA provide historical data from 2004 to September 2009 showing the percentage of residential and commercial break out of the tonnage received?

	2004	2005	2006	2007	2008	2009*
Commercial	37.2%	40.9%	38.5%	39.3%	32.7%	39.0%
Residential	54.6%	51.6%	58.0%	58.0%	60.6%	52.6%
Private Hauler	8.2%	7.5%	3.6%	2.7%	6.7%	8.4%

**data through October 2009*

18. What is the estimated composition of the commercial stream? Specifically what percentage is glass from restaurants and bars and what percentage is clean OCC?

ACUA’s commercial tonnage is estimated at 38% of the total recycling tonnage which is projected to be 13,538.19 tons for 2009. Commercial accounts, bars and restaurants make up approximately 40% of the commercial tonnage. We estimate that 10% is glass from bars and restaurants and 6% is clean OCC. The 10% and 6% are percentage break downs based on NJDEP single stream percentage information.

19. Can the ACUA provide the most recent outbound tonnage data of shipments per commodity from 2004-2008.

ACUA - Outbound Shipments Per Commodity*

	2004	2005	2006	2007	Average
Newspaper	14,245	16,152	15,971	15,322	15,422

Corrugated	4,969	5,932	4,805	4,770	5,119
Glass	5,189	4,615	5,886	1,131	4,205
Aluminum Cans	361	297	365	325	337
Steel Cans	850	804	991	856	875
Plastics	1,351	1,395	1,574	1,454	1,444
TOTALS:	26,966	29,195	29,593	23,857	27,403

*ACUA data is through 2007. After 2007 ACUA began single stream collecting, and outbound tonnage data is not available for this period

20. The RFP guarantees 30,000 tons of recycle materials for 10 years, what happens if the guarantee tonnage minimums are not met? What will be the financial remedy available to the proposer? Will the ACUA enter a “put or pay” agreement if the ACUA single stream tons fall short of the guaranteed 30,000 tons per year?

The ACUA does not guarantee the 30,000 tons. This amount is anticipated based on historical data which the ACUA feels will remain constant for the foreseeable future, however the ACUA does not enter into put or pay agreements.

21. Can the ACUA provide site plans and engineered drawings on the building and facility site that include ceiling heights and other dimensions?

This information is available on the Authority’s web page:

<http://www.acua.com/acua/rfps.aspx>

22. In section II, E (3h), this paragraph references’ 3f, is this an error and should it reference 3g?

Yes, this is an error, it should reference 3g.

23. Is the current rolling stock available to the proposer? If so please provide a list of the equipment that will be available with the make model and year for each.

No, the current rolling stock will not be made available to the proposers.

24. During the pre-bid meeting, the ACUA stated it was interested in controlling the tip floor and loader. Please confirm that the ACUA is interested in providing a loader and operator for the tip floor at the ACUAs’ expense. Will ACUA provide back-up loader operator for vacation, personal, sick days?

The Proposer will be required to supply all equipment and personnel needed to operate the tipping and loading areas. The Authority will provide its own equipment (loader) and operator to push up any materials brought in after Proposers working hours.

25. ACUA will have a CNG filling station within the next 6-8 months. Can the proposer plan to use CNG, from the ACUA filling station, for its rolling stock? Please describe the economic proposition in using CNG from the filling station.

The proposer may enter into a contract with ACUA to purchase fuel from the ACUA's CNG fueling station; however terms of such an agreement are not part of this RFP.

26. What are the Authority's expectations with regard to potential non-ACUA tonnage contracted to the facility by the proposer? The proposal format lists a business proposal for "non-ACUA" tons. Does the 30,000 guaranteed tons include only ACUA collected tonnage? If not, how will the proposer differentiate ACUA collect tonnage and non-ACUA collected tonnage in its revenue share calculations?

The ACUA intends for the proposer to provide a formula or system to determine the Authority's revenue sharing from the "non-ACUA" tons. It is understood that the percentage or method for revenue sharing of the "non-ACUA" tons will be different than for ACUA delivered tons. The 30,000 tons referenced in the RFP includes all materials brought into the recycling center by ACUA. All waste brought to the processing plant must be weighed so differentiating the waste origin will not be a problem.

27. The industry standard is buyers pay off of the mill weight scale. The RFP states all materials will be scaled at the ACUA. Can the proposer expect ACUA will accept mill payments based on the mill scale.

Payments will be based on ACUA scales only.

28. Site work begins on March 29th 2010. The proposer will need full access to the MRF building. Will the ACUA move the current transfer of single stream through October 1, 2010 to another building?

The ACUA will continue to utilize the facility; however every attempt will be made to limit the material on the floor to approximately three weeks worth of collected material.

29. The former MRF operations and the current ACUA collection operations are unionized. Does the ACUA anticipate the proposer will be required to operate with a unionized work force? If not how does the ACUA anticipate its union activity to impact MRF operations?

The facility will not be operated by the ACUA and thus the ACUA has no position on if the facility's workforce should be unionized.

30. Will the Authority continue to use any part of the building or will the building be for the Proposers use only? How many ACUA employees are contemplated? How many will need office space? Do any need private offices? What are the specific roles contemplated?

Yes, ACUA will continue to utilize the building for office space and locker areas. See attached floor plan for proposed use of space.

- 31.** Why is the proposer required to offer operating expense in section III, A, if the revenue sharing methodology is fixed and the proposer is “solely at risk”?

Operating expenses have a major role in developing the recycling revenue credit. This requirement is for check and balance that the sharing of revenue is at the proposed level.

- 32.** Does the Authority have single stream residue data? Is the Authority suggesting that the first 8% of residue is at zero tipping fee? Will the Authority guarantee a maximum residue level on the incoming single stream?

No single stream data other than total tonnage is available. \$0 will be the tip fee for the first 8% by weight residue. Presently the tipping fee for waste of this type is \$64.65 but can change. The Authority does not have residue data on its single stream.

- 33.** What is the current posted tipping fee for MSW?

\$64.65 is the current posted tip fee for type 10 waste (MSW).

- 34.** The RFP allows for 8% residue returned to the ACUA landfill. Will the proposer be permitted to reject loads in excess of 8% residue? The RFP did not contain any language giving the contractor the right to reject contaminated loads. Does this right exist and who is responsible for the rejected load?

Proposer cannot reject single stream loads brought by the ACUA, however rejection of loads brought in by private haulers is at the discretion of the proposer.

- 35.** The Proposer is required to reject hazardous material. What is the current procedure for the ACUA in handling and disposal of hazardous materials collected in recycling vehicles?

Proposer will notify the ACUA's on site manager to contact the appropriate County Health Department Personnel.

- 36.** What type of permits does ACUA currently have? According to Section IV (H), the selected contractor is responsible for any and all permits that may be required for the marketing, transportation, processing, and/or any other service the selected contractor is providing. Are we to run all permits through the ACUA before obtaining them ourselves? The RFP identifies an Air Permit for the MRF and requires the proposer to meet or exceed permit requirements. Please provide a copy of the Air Permit for review.

The air handling equipment is covered under the Authority's facility wide Title V Operating Permit for the entire solid waste site. ACUA will inspect and maintain the two air handling units. A copy of the air permit is attached for review (ATTACHMENT A). Pages 35-37 of the document reference the air handling equipment permits for the Recycling Center. The

proposer shall be responsible for working with the Authority to ensure installed equipment does not affect permit compliance. The proposer shall be solely responsible for obtaining and managing any other permits required to retro-fit/operate the facility.

- 37.** Has the ACUA done any educational activities to promote the current municipal single stream programs?

Yes, upon changing to single stream recycling collection the ACUA has and continues to educate the public on single stream recycling policies.

- 38.** What is the ACUA's plan to educate its municipal program participants on the implementation of single stream?

The ACUA provides education on its single stream program via quarterly newsletters, its website, public tours, waste audits, communications with the municipalities it services, and other outreach methods. Public education is significant to the ACUA and the Recycling Center should remain available for tours while being operated by the lessee.

- 39.** Will all incoming ACUA material become single stream once the plant is operational?

All incoming ACUA material will be single stream. Currently the ACUA collects cardboard separately in some circumstances as part of its commercial collections. Therefore some material MAY come in as solely cardboard. It is the ACUA's intent to simply mix this material in with the rest of the material on the tipping floor. While not part of this RFP agreement the lessee may come to an agreement with the ACUA to keep the cardboard separate if the ACUA continues to collect in this method.

- 40.** Your current collection includes egg cartons. Is this both fiber cartons as well as Styrofoam cartons?

Fiber cartons are included; styrofoam egg cartons are not included.

- 41.** Are the paint cans in your current program limited to a certain size?

No, there is no size limit on the paint cans.

- 42.** Do you limit the size of the 1-7 plastic containers?

No, there is no limit on the size of 1-7 plastic containers.

- 43.** Does the ACUA anticipate implementing curbside carts for collection during the term of the agreement and if so what would be the anticipated roll out schedule?

The ACUA may continue to expand the implementation of curbside carts for its recycling collection; however this is not part of this RFP.

44. Please confirm that all leasehold improvements, outside of installed equipment revert back to ACUA at the end of the land lease.

Yes, all leasehold improvements, outside of installed equipment, revert back to the ACUA at the end of the lease.

45. Must a proposer offer a complete processing facility to be a qualified bidder? Can a proposer offer a transfer option for processing at a regional facility?

The proposer must offer a complete processing facility to be a qualified proposer; the transfer option is not part of this RFP.

46. If the highest payment to the Authority is transferring the material, is the Authority interested in that option as well?

This RFP is for a single stream recycling processing facility, and proposals in response to this RFP should only include a processing facility, not a transfer option.

47. It is almost December. With the contract awarded in late, middle February and the construction of a new facility to start in March, meeting the deadlines by next October will be very tight. Does the Authority plan to extend the contract with the current vendor to allow for a more reasonable construction time frame?

Should the timeframe not be feasible the ACUA is willing to work with the proposer to extend necessary deadlines.

48. Can the Authority spell out its capital anticipation and who does what? Does the Authority plan to finance the entire retrofit through the proposer sales on the commodity materials plus lease revenues over 15 years? Will the Authority take on the leasehold improvements up front? What about installed processing equipment? If not, does the proposer make the building modifications? ...purchase the equipment? Who will own the processing equipment when the contract expires? Is this the responsibility of the contractor to propose?

The Authority does not intend to spend any capital for the retrofit of the facility to single stream processing. All improvements, installed equipment, etc will be done at the cost of the proposer.

49. Who is responsible for the residue transportation costs? Is the Residue transported to Landfill by ACUA via compactor box and is there a charge for service?

*The Proposer is responsible for transportation costs. An agreement for ACUA transporting residue **MAY** be made separate from this RFP.*

50. Are there any shared services on the property that would affect storm water compliance?

The Authority requires that the successful proposer utilizes best management practices in the operation of their processing facility as they relate to storm water compliance.

51. Section II (E)(4) and Section IV (I) regarding payment conflict with each other. According to Section II (E)(4), contractor is to forward statements to the ACUA on or before the first week of each month for marketing revenue earned the preceding month, and the contractor will pay all funds due ACUA within 30 of presentation of the statements to ACUA. However, according to Section IV (I), the contractor is to pay the Authority within 10 days of presentation of their monthly statement.

All funds are due ACUA within 30 days of presentation of the statements to ACUA.

52. Who is responsible for the utilities in the 'shared areas'? What are the monthly utilities bills? Who is responsible for the fire suppression system?

Separate meters will be installed covering the processing floor and office areas, installation of meters will be done at the proposer's expense. The proposer will be responsible for utilities in all metered sites that they occupy. Areas that are shared and do not have individual meters for the tenant will be the responsibility of the ACUA. The fire suppression system will be the responsibility of the proposer while during the lease period. See charts below for annual utility bills:

Recycling Center Electric Use

2006	997,200 kWh
2007	1,077,300 kWh
2008	903,000 kWh
2009*	731,700 kWh

*2009 data Jan - Nov

Recycling Center Water Use & Cost

2008 - Building	560,000 gallons	\$3,297.84
2008 - Fire Service	5,000 gallons	\$3,941.68

Recycling Center Natural Gas Use & Cost

2008	15,552.76 therms	\$24,292.67
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53. Is the electric split metered in the building now and does the facility have sufficient power to support additional equipment?

The current power supply for the building is 1,200 amps, some of which is used by current building systems. There are no meters currently installed for split metering of ACUA and tenant. Installation of meters will be done at the cost of the proposer. Cost of electricity for

areas shared by the ACUA and proposer will be split 50/50 between the ACUA and the proposer.

54. Are we required to maintain an inventory of spare parts?

It's up to the proposer to maintain an inventory of spare parts. Proposer will be responsible for processing the material, and should a shutdown of equipment occur due to lack of spare parts the proposer will still be responsible for the material. The proposer should indicate what contingency plans are in place to process or transport the material should the facility be shut down for an extended period.

55. Is there a fuel tank on site or does fueling rolling stock require outside assistance? Are there above ground fuel tanks? If so, who is responsible for fuel? If tanks are not present, will the ACUA allow tanks to be installed?

The ACUA will not be responsible for fuel for the proposer's vehicles or equipment. The proposer may install an above ground fuel storage tank on site and is responsible for all permits related to the tank. The location of the tank must be mutually agreed upon by the proposer and the ACUA.

56. The RFP does not discuss insurance. What are the minimum insurance requirements the ACUA is requiring contractor to carry?

See ACUA's insurance requirements (ATTACHMENT B).

57. The RFP did not contain any bonding requirements (bid bond or performance bond). Will ACUA be requiring either?

The ACUA will not be requiring any performance or bid bond.

58. Is ACUA expecting the equipment to meet certain performance guarantees?

The Authority stated that the successful proposer is required to process all materials brought to the recycling center and provide sufficient floor space to allow the daily delivery of all collected material. The Authority must assume that the successful proposer will be utilizing equipment able to perform such tasks.

59. The RFP references receiving 120 tons per day of single stream recyclable materials. The site visit showed segregated OCC. Does the 120 tons per day actually include the segregated OCC incoming tonnage or is this additional tonnage that the Proposer could expect to receive? Is the segregated OCC ACUA tons or non-ACUA tons?

Yes, the segregated OCC is included in the 120 tons, and the segregated OCC is ACUA tons. The follow data represents the total tonnage, including OCC received by the ACUA for 2008 and projected (as of November 2009) total for 2009.

	2008	2009 (projected)
<i>Tons per Year</i>	34,949.66	35,339.91
<i>Tons per Week (52)</i>	672.11	679.61
<i>Tons per Day (5 day)</i>	134.42	135.92

- 60.** Is the intent to start the successful bidder with “fresh” single stream material or is it possible the “stored” single stream will still require processing?

The ACUA will, to the best of its ability, continue to process or transport its stockpile of single stream material currently on site. The successful proposer will be required to process any remaining outside stored material when the facility becomes operational.

- 61.** Referencing the ACUA Recycling Data provided in the RFP package, it appears that notwithstanding an increase over 4th Quarter 2008, the ACUA tonnage will fall short of 30,000 tons. Is the table showing all ACUA tons received?

The ACUA will not fall short of 30,000 tons. As of 12/1/2009 total recycling tonnage inbound is at 32,394.91. By end of December it's estimated to be approximately 35,000 tons.