


MEMORANDUM

TO: Interested Parties

FROM: John F. Schott III, Senior Project Manager 

DATE: March 19, 2025

RE: Addendum No. 1 to the Request for Proposals for the Processing & Recycling of Recovered Materials for Baltimore City, Carroll County, and Frederick County

Below are contract modifications to the Service Agreements and responses to RFP questions from interested companies. **Proposed exceptions to the Service Agreements not included in the contract modifications below were rejected.**

The technical and cost proposal must be submitted on or before 3:00 p.m. (local time) on Monday, March 31, 2025.

MODIFICATIONS TO SERVICE AGREEMENTS

Section 1. Parties' Duties:

(e) In support of the [Member Jurisdictions'/City] public education efforts, payment will be made to the [Member Jurisdictions/City] or Authority in the amount of \$0.50 (outreach payment) per ton of Recovered Material (*not including the tonnage allocated to residue based on current commodity composition*) accepted (not including heavily contaminated loads under the Authority approved standard operating protocol for heavily contaminated loads) at the Processing Facilities. *The [Member Jurisdictions/City] will provide an annual letter to the Company outlining the disposition of outreach funds by September 1st for the prior fiscal year of outreach payments ending June 30th.* In addition, the Company will provide imagery/video and other information as requested for the Authority and Member Jurisdictions to customize and use for public education materials. The Company shall provide the Authority a semi-annual report of ~~the detailing the final end markets locations (names of end users the Company is selling to)~~ for *all materials processed under the Agreement.* ~~each commodity within the Member Jurisdictions' commodity composition.~~ The Company shall prioritize local markets, if available, for selling the Recovered Material. *Local Markets shall be defined as 100 miles from the Company's Processing Facility.*

MEMBERS:

(f) The Company shall provide records of the Processing Facilities key performance indicators (daily, monthly, and/or annually) it tracks for operating efficiency and to maximize recovery of Recovered Material within 10 business days upon request from the Authority. **Key performance indicators shall at minimum include tons processed, contamination rate, downtime and maintenance time.**

(g) The Company shall provide readily available documentation certifying to the Authority that the equipment installed for processing the Recovered Material is being operated (and performing) in accordance with the manufacturers' equipment standards and warranties. The certification (**or letter**) shall be provided annually by July 1st of each year. In the event the Company does not provide the certification, or the equipment is not being operated (and performing) in accordance with manufacturers' equipment standards and warranties, the Company agrees to reduce the Service Fee (or Tip Fee) by five percent (5%).

~~(h) The Company shall provide a copy of the Processing Facilities operations manual including any updates to manual within five (5) business days upon request from the Authority. **Reserved**~~

Section 2. Service Fees:

The maximum Inflation adjustment for each one-year period shall not exceed **1.05 (or 5%)**.

Section 3. Monthly Payments:

a) Amounts invoiced are due ~~forty five (45)~~ **thirty (30)** days after receipt of the correct invoice by the Authority and the [applicable Member Jurisdiction/City].

b) Correct Invoices shall be paid within ~~forty five (45)~~ **thirty (30)** days of receipt.

Section 8. Insurance:

(a) The Company shall obtain and maintain, or cause to be obtained and maintained, the Required Insurance in the forms approved by the Authority. The deductible limits contained in Schedule II shall not be increased. The Company shall procure and maintain any additional insurance coverage requested by the Authority that is available on commercially reasonable terms and such other insurance required by Applicable Law if the Authority agrees that the cost of the additional insurance may be added to the service fee. Insurance required to be obtained by the Company pursuant to this Section and Schedule 2 is "Required Insurance" for all purposes of this Service Agreement.

(b) Within ten business days of execution of this Agreement by the Authority, and at any time thereafter, the Company shall deliver to the Authority copies of all certificates of insurance and additional insured endorsements (see below) for Required Insurance pursuant to the Notice Provision in Section 18 of this Service Agreement upon ten business days after receipt by the Company. If deemed necessary by the Authority, the Authority may request, and the Company shall provide any applicable declaration and forms list with respect to the Required Insurance.

Except for Worker's Compensation Insurance, each policy shall include the Authority and the [applicable Member Jurisdiction/City] as additional insured and require the insurer to provide the Authority with ~~sixty (60)~~ **thirty (30)** days' prior written notice of termination or cancellation. The Company shall provide the Authority with ~~sixty (60)~~ **thirty (30)** days' prior written notice of any material change in coverage or deductibles under each such Policy

Section 11. Indemnification

(a)The Company shall indemnify and hold harmless the Authority and the Member Jurisdictions, their respective employees, agents, members, directors and officials from any and all claims, suits, or demands including reasonable attorney fees which may be made against the Authority or the Member Jurisdictions, their respective employees, agents, members, directors or officials resulting from any **willful misconduct or negligent** act or omission committed in the performance of the duties imposed by and performed under the terms of this Service Agreement by the Company or anyone under agreement with the Company to perform duties under agreement with the Company to perform duties under this Service Agreement. The Company shall not be responsible for acts of negligence or willful misconduct committed by the Authority, its employees, agents, and officials.

Section 16. Time is of the Essence; Uncontrollable Circumstance

(b) A party to this Service Agreement shall not be in default or liable to the other party for its failure to perform obligations, if such failure results from an Uncontrollable Circumstance. Notwithstanding the foregoing, the Company shall diligently overcome or remove such Uncontrollable Circumstance as soon as possible. As a good faith effort to avoid Uncontrollable Circumstances, the Company shall put into place preventative measures for forecasted weather events. ~~The Company~~ **Each Party** must adequately address any inquiries of the ~~Authority~~ **other Party** about conditions caused by the Uncontrollable Circumstance, as well as preventative measures put into place by the ~~Company~~ applicable **Party**.

Definitions

Uncontrollable Circumstances **shall include**, if they meet the requirements of the preceding sentence:

Schedule 3 Recycling Sorts

A residue sample in amounts agreed by the Member Jurisdiction(s) (**no more than 2,000 lbs**) shall be audited for missed recyclables. Residue audits shall be conducted as a hand sort and/or running the residue through the MRF's processing systems again. Recovered Material from residue audit greater than or equal to 3 inches in diameter shall not be counted as residue.

The Authority and the Company may request a Recycling Sort to identify the Commodity Share percentages of recyclable components. Both parties will work together in the months prior to the sort to schedule acceptable dates and times. The Authority reserves the right to observe the sort and to supervise how it is conducted. Each Party may request one (1) semi-annual sort (full

trailer load of Recovered Material comprised of a composite of representative samples taken over multiple days combined into one load) processed through the Processing Facility system. ***The Company may propose and utilize an alternative semi-annual sort (e.g., hand sort) to determine commodity share percentages if agreed to, in writing, by the [applicable Member Jurisdiction/City].*** The Company shall provide the Authority with data results from a sort within five (5) business days following completion.

QUESTIONS

1. The RFP states “awarded service agreements with one Company on behalf of one or more Jurisdictions”. Can the Authority award the contract by County/City (i.e., one contractor is awarded Carroll and Frederick, and another contractor is awarded Baltimore City)?

Response: Proposer must propose one Processing Fee (single stream and cardboard) for all Member Jurisdictions’ tons. Proposer shall assume they will be processing all Member Jurisdictions tons. The Authority does have the sole option to award Service Agreement(s) with one or more Companies on behalf of one or more Member Jurisdictions.

2. Please confirm the public education outreach referenced in Service Agreements is required.

Response: Yes

3. Annual increases are based on CPI-U with a cap of 4%. Can the annual increases be based on CPI-Water/Sewer/Trash (W/S/T)?

Response: No. The index used for the inflation adjustment shall remain as noted. The maximum inflation adjustment is updated to 1.05 (or 5%).

4. Will the Authority accept proposals just on certain Counties/City. If so, can you provide a separate price sheet for each County/City.

Response: No.

5. The Company asks that the renewal terms be amended as a mutual consent between the Company and the Authority.

Response: No. See section 3.3 Contract Term of RFP.

6. The Company requests that the Residue disposal and Contaminated loads disposal and transportation rates be eligible for an annual CPI in accordance with the terms of the processing rate, as these can be significant costs over the term of this contract.

Response: No. The inflation adjustment only applies to the Processing Fees (single stream and cardboard).

7. The Company requests that all references and definitions of Delivery Delay Damages be removed as the Company uses standard operational procedures to limit wait times.

Response: No. Delivery Delay Damages as defined in the Service Agreements will remain.

8. The Company requests Member Jurisdictions pay all invoices by check mailed to Company's payment address on Member Jurisdiction's invoice or via ACH as directed by Company. Payment by any other method or channel, including in person, online or by phone, shall be subject to additional convenience fees and other costs charged by Company or third-party billing portal or program.
Response: Carroll and Frederick Counties will pay by ACH or check. The Company will be required to register and submit invoices directly through Workday under Service Agreement for Baltimore City Recovered Materials. The Company cannot charge fees/costs for the processing of invoices.
9. Can you clarify what is meant by **“to be paid as directed by the Authority”**? Is the outreach a monthly payment, or is it netted against the service fee?
Response: The Outreach payment may be netted against the service fee, sent to a Member Jurisdiction designated account, or sent directly to the Authority. The Authority will provide such directions as applicable.
10. Under Termination for Convenience, the Company requests 60 days' notice prior to termination.
Response: No. There will be no changes to Section 6. Termination.
11. The Company requests that the Acceptable Materials List be amended to remove Aerosol cans, Empty Aerosol Cans, Aseptic/Gable top milk and juice cartons, Food and Beverage cartons, e.g. Milk, Juice, Stock, and Prescription bottles including caps.
Response: The Service Agreements allow for changes to the Acceptable Material List if agreed in writing by the Authority and Company. Any changes will require updates to the applicable Member Jurisdictions' Recycling and Outreach program.
12. Will the commodities and compositions listed From C-2 of the RFP, or the commodities and compositions listed in each County contract be used? i.e. should HDPE be split between natural and colored or grouped together at an average price of those two commodities?
Response: For purposes of calculating the monthly market price index, the price index for HDPE will be Average of Regional High Price for Plastics Natural HDPE (Baled, ¢/lb., picked up) and Regional High Price for Plastics Colored HDPE (Baled, ¢/lb., picked up). When Performing Recycling Sorts, the Company must separate Natural HDPE from Colored HDPE to determine commodity share percentages.
13. The Company takes exception with supplying the results of periodic Company bale audits, as this is confidential and proprietary information.
Response: Bale audits of Member Jurisdiction Recovered Material must be provided. Note that the Company should identify in its proposal any information deemed confidential and/or proprietary. The Authority is subject to the Maryland Public Information Act, which protects confidential and proprietary information from disclosure to the public.

14. The Company is amenable to one (1) representative hand sort per year per municipal Authority and does not agree to a system sort, or residual sort as described. We can provide our current recycling audit protocol which describes the effectiveness and accuracy of a representative hand sort.
Response: See contract modification above. The Company may propose and utilize an alternative semi-annual sort (e.g. hand sort) to determine commodity share percentages if agreed to, in writing, by the [applicable Member Jurisdiction/City].
15. The Company requests the following text be deleted under Section 8: “If deemed necessary by the Authority, the Authority may request, and the Company shall provide any applicable declaration and forms list with respect to the Required Insurance.” And “termination.” And “The Company shall provide the Authority sixty (60) days’ prior written notice of any material change in coverage or deductibles under each such Policy.”
Response: The text will remain, except that notice is updated to thirty (30) days.
16. The Company requests the following text be deleted under Section 8: “The Company shall promptly give the Authority copies of all notices and claims of loss and any documentation or correspondence related to such losses.”
Response: No. The text will remain.
17. The Company requests the last sentence in “Uncontrollable Circumstances” first paragraph be amended to state in all service agreements: “Uncontrollable Circumstances shall include, if they meet the requirements of the preceding sentence.”
Response: The Authority accepts this change.
18. The Company requests the following text of the first sentence be deleted: “No other conditions of any kind shall be considered an Uncontrollable Circumstance for the purpose of this Service Agreement.”
Response: No. This text will remain.
19. The Company requests that the following text be deleted: “All losses under the required insurance shall be adjusted to the satisfaction of the Authority.”
Response: No. This text will remain.
20. The Company takes exception regarding the final two sentences of Section 1 (e). We will not provide end user information as that is confidential and proprietary information.
Response: See contract modification above. Note that the Company should identify in its proposal any information deemed confidential and/or proprietary. The Authority is subject to the Maryland Public Information Act, which protects confidential and proprietary information from disclosure to the public.
21. The Company takes exception and will not provide key performance indicators as that is confidential and proprietary information.
Response: See contract modification above. Note that the Company should identify in its proposal any information deemed confidential and/or proprietary. The Authority is

subject to the Maryland Public Information Act, which protects confidential and proprietary information from disclosure to the public.

22. The Company takes exception to Section 1 (g) as the contractual processing fee offered is based on our real-world performance, of which the manufacturer's standard is an irrelevant factor when determining our pricing.

Response: This requirement will remain. A letter from Company is acceptable.

23. The Company takes exception with supplying the Processing Facilities Operations Manual, as this is confidential and proprietary information.

Response: The Authority will remove this requirement from Service Agreements. The Authority may request the Operations Manual (or other documentation) in the event the applicable documentation in whole or part is regulated by local, state, or federal laws or permits.