


MEMORANDUM

TO: Interested Parties

FROM: Andrew Kays 
Executive Director

DATE: September 25, 2024

RE: Addendum No. 4 to the REQUEST FOR PROPOSALS FOR ACCEPTANCE AND
TRANSPORTATION OF SEWAGE SLUDGE GENERATED IN BALTIMORE CITY AND
PROCESSING INTO A CLASS A PRODUCT

The Northeast Maryland Waste Disposal Authority (the "Authority") is requesting proposals from qualified Proposers experienced in the fields of Acceptance, Transportation, Processing of Sewage Sludge into a Class A product and Marketing. The Authority is soliciting proposals outlining in detail their ability to provide service to the City of Baltimore (the "City"). The Authority is seeking proposals that demonstrate effective and environmentally sound technologies that meet Baltimore City's goal of a diversified sewage sludge management program. Any communication regarding this RFP must be made in writing or e-mail and directed to "Baltimore City Biosolids Project," C/O Northeast Maryland Waste Disposal Authority, Tower II, Suite 402, 100 South Charles Street, Baltimore, Maryland 21201-2705, procurement@nmwda.org.

This is a reminder that the emailed Proposals are now due no later than 4 PM on Friday October 11, 2024 to procurement@nmwda.org. Additionally, five (5) bound hardcopies with an original signature transmittal and proposal checklist in a sealed envelope labeled "Baltimore City Biosolids Project" must be received at the Authority offices no later than 4:00 p.m. on October 17, 2024 (3 business days after the Closing Date). The submittal of the paper proposals (October 17, 2024) are to be addressed to "Baltimore City Biosolids Project," C/O Northeast Maryland Waste Disposal Authority, Tower II, Suite 402, 100 South Charles Street, Baltimore, Maryland 21201-2705. All times referenced in this RFP refer to local time.

Below please see the questions received by the due date and the related responses.

Attachments

ADM1198963KMU.DOCX

410.333.2730 / 410.333.2721 fax / authority@nmwda.org
nmwda.org / Business-to-Business Recycling: mdrecycles.org
Tower II – Suite 402, 100 S. Charles Street, Baltimore, MD 21201-2705

Comprehensive Waste Management Through Recycling, Reuse, Resource Recovery and Landfill

MEMBERS:

Rhody R. Holthaus, Anne Arundel County / Vacant, Baltimore City / Anthony Russell, Jr., Baltimore County / Clifford J. Engle, Carroll County
Phillip S. Harris, Frederick County / Joseph J. Siemek, Harford County / Mark A. DeLuca, Howard County / Guillermo Wainer, Montgomery County
Charles Glass, Maryland Environmental Service / Andrew Kays, Executive Director



1. Can the Authority please provide the current contract for this scope of work?
Please see the attached Exhibit A to this Addendum #4.
2. Can the Authority please provide the current unit rate(s) for this scope of work?
FY25 rates are as follows: \$ 115.48 per wet ton (Guaranteed ton) and \$ 56.22 per excess wet ton.
3. Can the Authority please provide the as-built drawings for the Facility including process flow diagrams and E&I drawings?
Please see the attached Exhibit B to this Addendum #4.
4. Can the Authority please provide all operating permits for the Facility?
Permits were included under the Exhibit E Attachments to the RFP and can be found on the Authority's Website at nmwda.org under "Procurement Opportunities."
5. Can the Authority please provide all capital improvements completed at the Facility along with dates of completion?
This file will be sent in the coming days.
6. Can the Authority please provide the current capital improvement plan for the Facility?
Please see attachment A to the 2018 2nd Amendment to the Service Agreement.
7. The RFP states a specific level of MBE participation will be required but the percentage section is left blank. Can the Authority please provide the MBE requirements for the contract?
The Authority and City are looking to the Proposer to provide best efforts at MBE/WBE participation under the proposal.
8. The RFP states cake must be accepted 6 days per week and Amendment No. 1 states acceptance is Monday through Friday. Can the Authority please clarify which is correct?
Amendment #1 is the correct plan for acceptance of materials.
9. Can multiple offsite Class A options be proposed which add up to accepting 100 wet tons per day?
Yes, multiple offsite Class A options may be proposed.
10. If selected, can a contractor add additional offsite Class A options during the term of the contract if the offsite option comes online during the term of the contract? For instance, if a facility is under construction now, can it be added as a Class A option after the contract has been awarded and is currently under operation?
Yes, pursuant to section 5.2 A, Part 2 and Exhibit D of the RFP, the selected vendor may shift tonnage to a newly permitted and operating facility if the proposal is acceptable to the City/Authority.
11. Who is responsible for sourcing the required green waste amendment for use in the compost project?
The current contractor is responsible, and under the new contract, the selected vendor will be responsible for sourcing the amendments for the process.

12. Will the Authority consider a bid delay of at least two weeks?
This procurement is a Request for Proposals, not a bid request. The proposal Due Date was extended to October 11, 2024, per Addendum #3.
13. Can the Authority provide copies of the last 12 months of Monthly Reports provided by current vendor?
Please see the Exhibit C files provided under Addendum #2.
14. Can the Authority provide copies of all utility costs for the compost facility?
The Contract does not require this detail, and we are not in possession of this information.
15. Can the Authority explain why the volume processed at the compost facility has been lower the last few years?
The volumes processed reflect the tonnages made available by the City to the current contractor.
16. Can the Authority describe all of the Capital Improvements to the compost facility over the last 5 years?
Please see the response to question #5 above.
17. Does the Authority or City have any detail on future capital improvements needed at the facility?
Pursuant to Section 4.2 (A) of the RFP/Draft Service Agreement, should a vendor choose to operate the current facility, they will have 90 days to provide a proposed capital improvements list for City/Authority review and approval.
18. What condition will the site be in when handed over to new contractor?
The City will, based on the best overall value proposal accepted, go into the end of term with the current contract and may exercise its right of first refusal to purchase certain equipment on the site. Again, depending on the proposal, the facility may be cleared of finished, curing and in process compost, as well as amendments at the start of service, or may have active composting underway at the start of service.
19. Current rates and breakdown
Please see the response to question #2 above.
20. Current responsibilities of contract to compare the rates to
Please see the response to question #1 above for the specifics of the current contract. The selected contractor will be responsible "to provide Acceptance and Transportation of Sewage Sludge Generated in Baltimore City and Processing into a Class A Product. The Contractor will be expected to produce a Class A product in the existing Facility or a facility that the Contractor owns, builds and operates. Acceptable Class A Technologies are those that meet the Standards put forth in 40 CFR 503 and COMAR 26.04.06." (from 4.1 PURPOSE: of the RFP).
21. What capex repairs/upgrades/etc. are planned for now and until the new contract takes over?
There are no capital projects planned for the last 9 months of the current contract.
22. What other capex has been identified but not yet budgeted for?
Please see the answer to question #17 above.

23. Do the current storm water controls meet all new storm water permit/regulations? If not, outline?
The current storm water controls meet the requirements of the permit.
24. Last 24 months of stormwater sampling events?
Please see the attached Exhibit C to this Addendum #4.
25. Compost test results 24 months?
Please see the Exhibit C files provided under Addendum #2.
26. According to Exhibit C to the RFP, the highest volume of sludge was 33,450 wet tons in 2019, and we note that that volume is roughly in line with the City’s guarantee of 100 wet tons per day. The relatively consistent volume of sludge outlined in Exhibit C notwithstanding, under the Performance Guarantees, the Proposer must agree to accept up to a maximum of 55,500 wet tons annually. That is a significant change in volume. Is the processing of 55,500 wet tons annually into compost realistic? Can that volume of sludge be processed at the current facility with that facility remaining in compliance with its permits? If not, will the City and Authority assist the successful Proposer in obtaining new permits, including any building permits required to expand the current facility? Alternatively, will the City and Authority modify the performance guarantee and conform the maximum to the maximum amount of sludge that can be processed in compliance with the permit for the current facility?
At this time, the City is only interested in the current processing tonnages under this contract and does not anticipate increases. The current operations at the facility are in accordance with applicable permits.
27. Schedule 7, Section 2 (d) of the Service Agreement says “All claims made policies shall provide a minimum of 365 days discovery period.” Our Insurance and Risk Management Team are not familiar with such a requirement, and request a detailed explanation of what is required.
The discovery period refers to the period following the expiration of the policy that allows the insured to discover and report a claim for loss incurred during the policy period.
28. Schedule 7, Section 1 and Section 12.2 of the Service Agreement require delivery of copies of all insurance policies, amendments and renewals. We have a robust insurance program, and many of our policies are maintained by our corporate parent. Further, when appropriate, we rely upon blanket policies that cover all of our projects. Accordingly, we will be able to provide the City and Authority with insurance certificates that evidence the required coverages, but we cannot provide any one municipal client with complete copies of our insurance policies. Will the City and Authority eliminate these requirements?
A copy of the current Certificate of Insurance (COI), naming the Authority and the City of Baltimore as additional insureds is an acceptable change. The Company will have to provide up to date COIs, annually or more often as reasonably requested, for the term of the Service. See draft of Service Agreement, Article 12, Insurance.
29. Schedule 7, Section 2 (c) of the Service Agreement requires approval for insurance deductibles over \$250,000 for the liability policies. As stated above, we have a robust insurance program, and many of our policies are maintained by our corporate parent with deductibles above \$250,000. Will the City and Authority eliminate this restriction if the Company provides financial

statements that reflect the ability to absorb the Company's chosen deductible amounts in the event of a claim?

Yes.

30. Schedule 7, Section 2 (h) of the Service Agreement states, "The Company must carry property damage insurance for all property owned, leased or loaned by the Company whether to be used in this project or not. Limits should equal the actual cash value of such equipment and coverage must be on an "all risk" basis, subject to a \$100,000 deductible." The property insurance we carry is for replacement cost value, and not actual cash value, and our deductible is in excess of \$100,000. Will the City and Authority modify this requirement accordingly?

Yes.

31. Section 13.18 of the 2008 Service Agreement with the current service provider contains a mutual limitation of liability for both the Authority and Company. The proposed Service Agreement lacks a limitation of liability in favor of the Company. Recognizing that such a provision is common in the marketplace and a standard risk mitigation measure in contracts like the Service Agreement, will the City and Authority add such a limitation of liability?

No.

32. Similarly, the definition of "Uncontrollable Circumstances" is broader in the current 2008 Service Agreement than it is in the proposed form of Service Agreement. Notably, the definition in the 2008 Service Agreement is much clearer in terms of the availability of relief for a change in law. Will the City and Authority broaden the definition in the proposed form of Service Agreement to make it at least as broad as that contained in the 2008 Service Agreement?

The 2008 language will be substituted into the draft service agreement.

33. Section 6.1 (a)(iii) of the Service Agreement provides that the Digested Biosolids will "not constitute a 'hazardous waste' under Applicable Law." We agree that hazardous wastes are a concern, but so too are "hazardous substances," as defined under Applicable Law. Will the City and Authority modify Section 6.1 to reflect that the Digested Biosolids will not include hazardous substances?

Section 6.1 will not be modified.

34. a. "Hazardous Substance" means any waste, substance, object, or material deemed hazardous under applicable law, including (a) "hazardous substances" as defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended; (b) "hazardous waste" as defined in the "hazardous waste" under the Resource, Conservation and Recovery Act; and (c) "emerging contaminants" as identified by the U.S. Environmental Protection Agency or other governmental authorities due to their potential for adverse impacts to human health or the environment, specifically including, without limitation, perfluoroalkyl and polyfluoroalkyl substances ("PFAS") such as perfluorooctanoic acid ("PFOA") and perfluoro octane sulfonate ("PFOS"). As used herein, "Hazardous Substances" also means materials, equipment, physical property, soil, groundwater or stormwater that are contaminated with Hazardous Substances.

The Authority does not accept the proposed language.

34. b. "Release" means any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing into the environment.

The Authority accepts the proposed language.

34. c. To Owner’s knowledge, there are no actual or suspected past or present Hazardous Substances, or Releases of Hazardous Substances, in the Biosolids, on, at, or otherwise affecting the Project, the operation of the Project, any facilities associated with the Project, or those persons who operate or otherwise are expected to have access to the Project.
The Authority does not accept the proposed language and notes that at this time, the City has no knowledge of actual or suspected past or present Hazards Substances, or Releases of Hazardous Substance in the Biosolids, on, at, or otherwise affecting the Project.
34. d. Influent, effluent, sludge, residuals, biosolids, and other waste that contain Hazardous Substances shall remain the sole responsibility of the Authority, and Company shall not be, or be deemed to be, an owner, generator, co-generator, provider, manufacturer, vendor, arranger, or transporter (“arranger”) of any Hazardous Substances. If and to the extent, a Company employee signs a waste manifest or other documentation relating to the presence of Hazardous Substances on or for the Project, such act will be deemed solely for the benefit and convenience of Owner, such employee will be deemed an agent of Owner, and such signature shall not subject Company to liability as an arranger or otherwise.
The Authority does not accept the proposed language.
- d. Influent, effluent, sludge, residuals, biosolids, from Back River Waste Water Treatment Plant and other waste that contain Hazardous Substances shall remain the sole responsibility of the Authority, until such time as the Company accepts and processes the material. The Company shall not be, or be deemed to be, an owner, generator, co-generator, provider, manufacturer, vendor, arranger, or transporter (“arranger”) of any Hazardous Substances if the Company rejects a load of Influent, effluent, sludge, residuals, biosolids, from Back River Waste Water Treatment Plant . If and to the extent, a Company employee signs a waste manifest or other documentation relating to the presence of Hazardous Substances in Influent, effluent, sludge, residuals, biosolids, from Back River Waste Water Treatment Plant on or for the Project, such act will be deemed solely for the benefit and convenience of Owner, such employee will be deemed an agent of Owner, and such signature shall not subject Company to liability as an arranger or otherwise. The Company shall bear sole responsibility for any other materials it procures for the Service that may contain Hazardous Substances and is to hold the Owner and the Authority harmless should such materials be deemed to contain Hazardous Materials.
The Authority does not accept the proposed language.
34. e. To the maximum extent allowed under applicable law, the Authority agrees to defend, indemnify, and hold harmless Company and its officers, directors, employees, contractors, and agents from and against any and all claims, losses, liabilities, damages, fines, costs, penalties, and expenses (including reasonable attorneys’ fees and costs of investigation and defense) arising out of or relating to the delivery of Hazardous Waste
The Authority does not accept the proposed language.
34. f. Owner’s indemnification obligations in the preceding paragraph shall include, without limitation, (i) claims for personal injury, property damage, damage to natural resources, or remediation costs attributable to the substantiated presence of any Hazardous Waste proven to have originated on or from the Project; and (ii) all obligations, liabilities, and costs incurred by the Company to investigate, remediate, or otherwise respond to the actual presence of Hazardous Waste in accordance with applicable laws and regulations.
The Authority does not accept the proposed language.

34. g. Changes in law, standard industry practices relating to any Hazardous Substances, or the levels of Hazardous Substances in the Biosolids, or on, at, under, or affecting the Project shall warrant and require the Authority to: (i) grant an equitable adjustment to the Annual Fee and Company's time for performance for increases in performance times, resource requirements, financial requirements, costs, or other increases, and (ii) make capital expenditures and increase operating expenses as such changes require.

The Authority does not accept the proposed language.

Requests related to changes in processing or tipping fees related to any change in law must be provided to the Authority in writing within 60 days of notice of the change in law. Changes in fees less than 5% will be approved in writing. A proposed change in fee of greater than 5%, related to a documented change in law, will be reviewed and the Authority retains the right to terminate the contract, pursuant to the Termination for Convince Clause in Section 10.5, or accept the change in writing to commence with the change in processing caused by said change in law.

The Authority does not accept the proposed language.

35. Exhibit C, digested sludge analysis CY 2024 shows data on %T.S. Can a column be added showing data on %V.S. [volatile solids]? What %volatile solids constitute "in spec"?

The %VS data is provided in a separate column for CY 2024 in Exhibit D to this Addendum #4.

36. SSU Transportation permit only authorizes hauling of biosolids from Back River WWTP. Secondly, Section II, site specific location references the same. Will the sludge be restricted to that of Back River WWTP?

At this time only sludge from back River will be processed under this contract.

37. Will the Authority negotiate the Service Agreement with the selected proposer or must the selected proposer agree to the Draft Service Agreement as is?

Changes to material items under the Service Agreement should be limited to the pre-proposal period. However, please also see Section 7.3 of the RFP (Multi-Step Competitive Negotiation).