DEPARTMENT OF RESOURCES RECYCLING AND RECOVERY

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December 13, 2012

To: All Prospective Contractors

RE: "Cost Survey, DRR12043"

Addendum No. 1
To the Request for Proposal (RFP) Primary Method DRR12043

1. Attached is a list of all businesses who have expressed an interest in the contract to date (Attachment 1).

2. The following questions were submitted in response to the RFP and the answer follows.

Q1. On page 1 of the RFP, CalRecycle estimates that the approval process could occur February 25, 2013. When does CalRecycle anticipate the contract for services will be fully executed?
A1: It is anticipated during the first week in March, 2013.

Q2. For purposes of determining preference points for (DVBE) Disabled Veteran Business Enterprise or (SB) Small Business, does the percent participation being proposed for a firm that as certified as both get counted as: 1) small business participation only; 2) DVBE participation only; 3) some split between the two participations that totals to the percent participation being proposed for the dual certified firm; or 4) the full percent being proposed for the SB participation and the full percent being proposed for DVBE?
A2: If a company is both DVBE and SB, the percent of contract committed to that company count for both DVBE and SB requirements.

Q3: In reference to the DVBE and SB question above, if a bidder proposes 3% of one firm as both certified DVBE and SB and proposes 22% participation of a second firm certified only as a small business, under this example would the bidder meet CalRecycle's expected 25% minimum requirement for SB and meet the expected 3% minimum for DVBE participation?
A3: yes

Q4. The RFP attachment C, Small Business/Disabled Veteran Business Enterprise (DVBE) Participation summary must be used by the bidder to identify each certified SB and DVBE. The attachment provides two columns under the title: Total amount of work. Where should the full dollar amount be shown for a firm certified as both SB and DVBE? 1) in the "small" column, 2) in the "DVBE" column, or (3) both columns?
A4: both columns

Q5: On page 5 of the RFP, CalRecycle requires the disc containing the softcopy of the responses not to include the Cost Proposal Sheet. The RFP, Attachment F, Proposal Completion Checklist, states that the electronic copy should include the "bid sheet". Should the electronic copy of a vendor's proposal include the Cost Proposal Sheet?
A5: No

Q6: On page 14 of the RFP, tasks (P) 6 and (P) 7 refer to presenting results and describing the survey process for recycling centers that receive a handling fee by average cost per ton, by material type and resin type, and by the cost for each beverage container. Is the contractor required to calculate average cost per ton, by material type and resin type, for recycling centers that receive a handling fee? Or as an alternative, does the contractor need only to calculate, present, and describe the process to obtain average cost per container for recycling centers that do receive a handling fee?
A6: See Revised RFP updating page 14 on the CalRecycle Website.

Q7: Part of our evaluation process will include evaluating whether we have any independence or conflicts of interest concerns with not only the State/CalRecycle, but also with the recycling centers to be included in the survey. As such, I would like to know if there is a listing of the entity/corporate information for the centers to be included in the survey,
A7: The contractor will be responsible for the survey design and sample selection. A complete list of recycling centers is available on the CalRecycle website at
http://www.calrecycle.ca.gov/BevContainer/Reports/CertifiedRecyclers.aspx.

Q8: On page 14 of the RFP, Tasks p)(6) and p)(7) refer to presenting results and describing the survey process for recycling centers that receive a handling fee by average cost per ton, by material type and resin type, and by cost for each beverage container. Is the contractor required to calculate average cost per ton, by material type and resin type, for recycling centers that receive a handling fee? As an alternative, does the contractor need only to calculate, present, and describe the process to obtain average cost per container for recycling centers that do receive a handling fee?
A8: For recycling centers that receive a handling fee, the contractor is required to calculate, present and describe the process to obtain one average cost per container for beverage containers of all material types as opposed to separate costs per ton for each beverage container material type. This will be clarified in an addendum updating page 14 of the RFP.

Q9: When does CalRecycle expect to obtain the finalized ("mature") 2012 recycler volume data for non-handling fee and handling fee recycling centers? When will that data be made available to the contractor?
A9: CalRecycle expects to provide the contractor with mature 2012 volumes by recycling center and by material type by March 22, 2013.

Q10: For recycling centers with reverse vending machines (RVMs), will CalRecycle provide separate volume information for: (1) the material recycled through RVM, and (2) the material recycled through the staffed portion of the recycling center?
A10: No. Volumes will be provided by recycling center and by material type in total without separating how the material was redeemed.

Q11: What is the number of recycling centers with combined staffed and RVM recycling opportunities? Of the combined staffed and RVM recycling centers, how many receive handling fees?
A11: There are approximately 260 staffed recycling centers with reverse vending machines (RVMs) of which approximately 250 receive handling fees.

Q12 : AB1933 (Chapter 540, Statutes of 2012) states in part "The department may update the methodology and scrap values used for calculating the handling fee from the most recent cost survey if it finds that the handling fee resulting from the most recent [2011] cost survey does not accurately represent the actual cost incurred for the redemption of empty beverage containers by those certified recycling centers."
CalRecycle has scheduled a public workshop with program participants to address the implementation of the Handling Fee provision of the Statute on January 10, 2013 – eight days after the proposal due date.
(http://www.calrecycle.ca.gov/Actions/PublicNoticeDetail.aspx?id=843&aiid=780)
In the RFP, the proposal methodology "must be described in sufficient detail to allow CalRecycle staff to evaluate the methods and must address all tasks and items in the Scope of Work." Would CalRecycle consider delaying the RFP due date until the revised Handling Fee calculation methodology is finalized? (The original 2011 cost survey RFP had an April 1 due date).
A12: No. the timeline is spelled out in the RFP

Q13: The 80 percent minimum technical score is a significant percentage point increase from prior cost survey RFPs. What justifies this increase in threshold, also given 1) the subjective nature of several of the criteria and 2) the lack of detail as to what constitutes a low, medium, or high score?
A13: Since the award will be given to the low bidder, the minimum technical score ensures that the bidder has sufficient qualifications and resources to successfully complete the project.

Q14: On page 2, in Section II Rules and Conditions of the RFP, under the "Information" header, what is meant by CalRecycle by the statement: "All information obtained or produced during the course of the Agreement will be made available to CalRecycle"? Is CalRecycle able to further elaborate on what "all information" is defined as?
A14: Please refer to the California Public Records Act and Public Contract Code for more information.

Q15: On page 2, in Section II Rules and Conditions of the RFP, under the "Commitment" section, for the documents listed, neither an "Exhibit A" nor an "Exhibit B" is provided (the exhibits start with Exhibit C). Would CalRecycle either provide them or confirm they do not exist for this RFP?
A15: They do not exist for this RFP.

Q16: On page 6, in Section III Proposal Submittal Requirements of the RFP, under the "References" header, what is meant by CalRecycle by "verifiable"?
A16: This RFP (CalRecycle) has the authority to check references and applicable project experience.

Q17: On page 7, in Section III Proposal Submittal Requirements of the RFP, under the "Small Business (SB) Participation" and the "Disabled Veteran Business Enterprise Participation (DVBE)" headers, the RFP states there are minimum participation expectations (25% and 3% respectively). Would CalRecycle please confirm this is percentage of effort (i.e. proposed hours)?
A17: Within the total dollar amount of the contract, 25% goes to Small Business and 3% to DVBE.

Q18: Page 9, Section IV Cost Proposal Submittal – our firm typically proposes to conduct work at a professional fee rate per hour that includes fringe benefits, operating expenses, and overhead. If the Cost Proposal Sheet only showed cost elements of [1] rate per hour, [2] proposed hours, and [3] travel costs with an explanation that the rate per hour included fringe benefits, operating expenses, and overhead, would that be acceptable to CalRecycle?
A18: No. Fringe benefits and overhead must be broken out of the hourly rate.

Q19: On page 12, in Section VI Description of Work of the RFP, under "Work to be Performed" for bullet 4(j), related to the contractor conducted training, is the training anticipated to be provided for the contractor personnel, or CalRecycle Departmental staff? If for CalRecycle Department staff, what is the training outcome desired?
A19: The contractor will conduct the training for their personnel. CalRecycle staff will be available to assist the contractor in training if needed.

Q20: On pages 13-14, in Section VI Description of Work of the RFP, under "Work to be Performed" for bullets 4(o)(2) and 4(p)(2), would CalRecycle please elaborate on what is expected to be provided by the proposer for "separate hardcopy file including all work papers"? Would CalRecycle please provide an example of what is expected for this?
A20: Site specific allowable cost model, all source documents or any other hard copies obtained in the course of completing the survey.

Q21: Page 24, Attachment E – If no products, materials, goods, or supplies are proposed (only services), is this Attachment still required to be completed and returned to CalRecycle? If it is required, would checking the first box be applicable for this RFP?
A21: yes

Q22: Does each proposed sub-contractor have to complete the following items, or does only the prime contractor?

- Statement of contractor eligibility (page 6 of RFP)
- Copy of registration with Secretary of State (page 6 of RFP)
- Contractor status form (Attachment G)
- Darfur Contracting Act (attachment D)

A22: No, Only the prime contractor.

Q23: How will bid price be used in evaluation of proposals?
A23: If you achieve 80%, then the proposal will be evaluated based on low bid and whether your bid qualifies for DVBE and/or SB preferences points.

Q24: Will bid price be factored into the formula as a weighted price to provide a final score that is used to compare responses?
A24: See number 23 for more information.

Q25: Please provide a copy of the original contract and proposal showing budget and staff hours for the Consultant who was awarded this work in 2011.
A25: The Standard 213 will be uploaded on CalRecycle/Contracts website.
http://www.calrecycle.ca.gov/Contracts/Data/Detail.aspx?AdvertisementID=1123
The proposal can be viewed by setting up an appointment with our office based on the document being very lengthy.

Q26: Please provide copies of any amendments to the Consultant's contract who was awarded this work in 2011.
A26: There were no amendments to this contract.

Q27: Why was the last RFP for this work (issued March 1, 2011) cancelled and reissued on June 3, 2011?
A27: There was a formal protest of award and the procurement was reissued.

Q28: Please provide a copy of the "Cost Survey Training Manual" referenced in the RFP.
A28: Yes, it will be uploaded on the CalRecycle website:

http://www.calrecycle.ca.gov/Contracts/Data/Detail.aspx?AdvertisementID=1123 by Monday, December 17, 2012.

Q29: Please provide a copy of the current "Microsoft Excel-based cost survey model" referenced in the RFP on page 12.
A29: posted on CalRecycle contract website:
http://www.calrecycle.ca.gov/Contracts/Data/Detail.aspx?AdvertisementID=1123

Q30: What was the contract amount for this work in 2001, 2003, 2005, 2007, 2009, and 2011 (including any amendments)?
A30: 2001: no report; 2003: $1,553,641; 2005: $1,217,079; 2007: $2,279,280; 2009: $2,101,155; 2011: $1,284,580. There were no amendments.

Q31: Can we use a subcontractor that has temporary staff without specifically identifying the names of the staff they will use? This staff is readily available, but is not often able to be reserved by name.
A31: Each proposal must include a description of the resources to be used on the project while demonstrating an individual or team members' abilities to perform the work. The proposals must include resumes for the Project Manager, Personnel and Subcontractors, that include:

- Experience
- Knowledge
- Educational Background
- Appropriate licensing

Q32: When was the cost survey last updated?

A32: The cost survey was conducted in 2011 for volume and financials covering calendar year 2010

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Q33: Can you provide documentation from the previous study (e.g., final report)?

A33: Handling Fee Report: http://www.calrecycle.ca.gov/BevContainer/Fees/Handling/FinalReport.pdf

Processing Fee Report: http://www.calrecycle.ca.gov/BevContainer/Fees/Processing/FinalReport.pdf

Q34: What type of entities are the recycling centers? Are they private companies, not-for-profit, etc.?

A34: The majority of recycling centers are operated by private for profit entities

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Q35: How will the cost information be used?

A35: The cost information will be used to determine processing fee paid by beverage manufacturers, the processing payment paid to certified recyclers and the handling fee paid to eligible certified recyclers operating in convenience zones.

Q36: The description of work states that: "The Contractor shall develop a process to ensure collection of required data from participants, including a process to ensure all reasonable measures are attempted to collect data from participants resistant to providing required financial and labor data, as needed." In the previous cost study, what percentage of participants did not provide the requested information?

A36: In the previous cost survey we obtained cooperation from 100% of recycling centers that were in operation while the cost survey was in progress.

Q37: Please clarify the preferences for small and other businesses. Page 7 indicates a minimum of 25% for small business: "CalRecycle expects a minimum of twenty-five percent (25%) of the project services to be contracted to a California OSDS Certified SB that performs a commercially useful function." However, page 8 of the RFP seems to indicate there is a maximum of 15% of the bid amount: for all preferences: "In combination with any other preferences (TACPA, EZA, LAMBRA, SB, , DVBE, participation, etc), the maximum limit of the combined preferences is 15% of the bid amount and, in no case, more than $100,000.00 per solicitation."

A37: The following reference on page 8 of the RFP contains a typographical error: "the maximum limit of the combined preferences is 15% of the bid amount". The sentence should read as follows: "In combination with any other preferences (TACPA, EZA, LAMBRA, SB, , DVBE, participation, etc.), the maximum limit of the combined preferences is **35%** of the bid amount and, in no case, more than $100,000.00 per solicitation."

Q38: Please clarify whether the cost proposal should be included in the electronic copy (PDF). Page 5 of the Notice to Prospective Proposers states that it should not be included, but page 26 (proposal completion checklist) indicates it should be included.

A38: Refer to revised RFP. Per page 5, do not include the Cost Proposal Sheet in the Electronic Copy. As per page 26,

> One (1) Electronic copy of Proposal Package in Adobe Acrobat format with all documents in a single file, ~~including the bid sheet~~ and all other attachments.

Q39: Is there a page limit for the proposal?

A39: no.

Q40: For the cost proposal sheet, is it acceptable to include the fringe benefits and overhead components in the hourly rate (i.e., a fully loaded hourly rate)?

A40: Fringe benefits and overhead must be broken out of the hourly rate.

Q41: Attachment B of the RFP provides information on how the responses will be rated but does not indicate the factor or weighting of the cost proposal. How will the cost proposal be factored into the award decision?

A41: See question 23 for more information.

Q42: Will the award be a fixed price contract?

A42: No

Q43: If it is fixed price, are travel costs considered part of the fixed price, or will travel be invoiced based on actual travel costs?

A43: See question 42, rates being bid are fixed and the contract has a cap. Travel expenses are invoiced at State Rates.

Q44: If it is a fixed price contract, is there any preference for invoicing (e.g., based on trips or deliverables completed, or fixed amount per month)?

A44: See answer to question 42.

Q45: In the prior cost survey RFP, CalRecycle provided a Bidder's Library that "contains critical reference material for developing a response to the RFP." This library included prior Processing Fee and Handling Fee Cost Surveys training manuals, a sample of the prior Allowable Cost Model, and "other information to assist the Proposers in preparing a thorough and realistic response to this Solicitation." Will CalRecyle be providing similar information for this RFP?

A45: Yes

Q46: Will CalRecycle be able to provide Word (i.e., editable) copies of the cost survey Training Manual and Field Manual used in previous cost surveys, for update by the contractor? In the past CalRecycle has only provided non-editable Adobe PDF copies, and has not required Word versions as deliverables [from the historic cost survey vendor] in prior cost survey RFPs.
A46: We will work with the contractor to convert training manuals into word or other format for modification.

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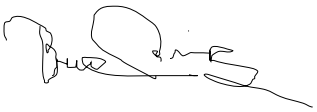
All other terms, conditions, and requirements of this RFP will remain the same.

If you have any questions relating to this RFP process, please contact me by e-mail at contracts@calrecycle.ca.gov.

Sincerely,



Bruce Ring
Contract Analyst
Administrative Services Branch

Attachments

ATTACHMENT 1
Interested Parties Listing For RFP DRR12043
as of 12/13/12
CalRecycle has not confirmed the certification status of firms who have identified themselves as CA Certified Small Business (SB) or Disabled Veterans Business Enterprise (DVBE

Contact Name	E-Mail	Company	Address	City	State	Zip	SB	DVBE
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