CITY AND COUNTY OF DENVER
DEPARTMENT OF TRANSPORTATION AND INFRASTRUCTURE

RFP – COMPOST PROCESSING SERVICES (Solicitation #202370730)

ADDENDUM NO. 2
November 30, 2023

Firms are hereby instructed that the RFP documents are modified, corrected, supplemented and/or superseded for the above-mentioned project as hereinafter described:

QUESTIONS/ANSWERS

Q1. For the Prevailing Wage and Minimum Wage, are all respondents going to be held to pay Prevailing Wage, whether they are located on City owned property or not? If not, will the City give additional points for Contractors who are required to pay City Prevailing Wage as opposed to City Minimum Wage ($48.30/hr versus $17.25/hr)?

A1. The City will follow the Prevailing and Minimum Wage requirements listed in the Denver Revised Municipal Code (DRMC – Section 20-76 and 20-82 through 20-84, respectively) and will take into consideration the requirements when assessing the proposed costs.

Q2. Will the City require a franchise fee or royalty to be paid by applicants located on city property?

A2. No royalties or fees are required for this contract but any existing royalties, fees, or contracts between a Contractor and the City will not be superseded or in any way altered by this agreement.

Q3. Can you provide an estimated percentage of the 180,000 City households that will participate in composting? Please confirm that carts will only be provided to households that request them.

A3. Per ordinance, all households will have access to and are eligible for compost service at no additional cost. 17% of households participated in the paid subscription program (prior to Volume-Based Pricing in 2022). For the first district of the rollout Solid Waste operated with an opt out process, and 11% of eligible households opted out or had their carts removed by request or by audit. Moving forward, Solid Waste is switching to a “cart selection” process for each district, wherein residents choose their compost cart size and effectively request the service. We do not yet know how many will elect to use the service as we are rolling it out by collection district over the next two years; the first with the cart selection process will be in quarter one of 2024.

Q4. Will the City provide any incentives for participation in the compost program?

A4. Participation in the compost program is incentivized by the volume-based pricing model. The service is included at no additional cost and allows residents to utilize a smaller trash cart for a lower monthly cost. The City is open to additional incentives like a compost giveback or discounts on finished compost.

Q5. Are there expectations of hauling being completed by the Contractor, if said Contractor is awarded use of their transfer station for consolidation?

A5. If the Contractor is proposing the use of their transfer station, then the Contractor shall complete the hauling.
Q6. What data are the City asking for in Section 3, Item k? Please clarify.
A6. Data may include tonnage, information about contamination, how the finished compost generated from the City’s material was marketed and used, and related data. The Processor can also provide additional data that may help improve the compost program.

Q7. How is the City going to assist with contamination education and reduction?
A7. The City’s education campaigns around contamination and proper use of compost service include, mailers/flyers, tabling and presentations, outreach performed by community-based organizations (includes compost how-to classes and door-to-door outreach), social media content, website language, paid advertising, educational videos, personal contacts by supervisors and education staff, Denver Public School outreach, in-person facility tours, and the audit program (see below). Additionally, material that comes through the City’s transfer station may be inspected and have contamination removed when possible. The City will also be piloting contamination software in 2024 that uses a camera in the truck hopper and AI software to detect contamination. Staff can then send education to the resident and provide enforcement if needed.

Q8. How will the City audit program discourage contamination?
A8. As auditors go through all households in the program, they inspect the compost carts for contamination. If contamination is found, auditors leave a tag on the cart indicating what items were found and turn the cart around so drivers do not collect that cart. This directly educates the resident on what exactly was contaminating their cart and requires that it be removed if they want the cart to be collected. Auditors often talk directly with residents when contamination is found if they are home. The auditors document the contamination and flag carts that are being misused for additional enforcement.

Q9. Is the City willing to consider fines or service suspension for households that contaminate?
A9. The City is in the process of setting up enforcement mechanisms such as a fine schedule for contamination, but we do not have a date for authorization.

Q10. Will there be any pre-sorting or contamination reduction operations at the City-owned or 3rd party transfer stations or drop-off locations?
A10. There is currently no pre-sorting done by the City. Material is delivered to the Processor as collected.

Q11. Is the City willing to accept a reduced contamination cutoff level? Is the City willing to entertain a contamination rate structure for levels of contamination below 10%?
A11. The City is willing to entertain alternate proposals for contamination levels, given the rejection process and method for calculating contamination is clearly defined.

Q12. Please confirm that the responsibilities described in Section B.5 (Page 9) will not be required if the City has multiple contractors servicing organics.
A12. All contracted processors must be fully permitted by CDPHE. Any organics hauled to a contracted processor are the responsibility of the processor. Should there be multiple contractors awarded and one experiences an inability to process organic materials at a given time, prior arrangements within
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contract terms would need to be made prior to material delivery; otherwise, it shall be the Contractor’s responsibility to find alternate processing locations.

Q13. Will the City require Denver Department of Parks and Recreation to utilize finished compost generated through this process?
A13. Parks and Recreation utilizes finished compost, but it is currently not required. Any requirements for purchasing/utilizing finished products would be separate from the processing contract.

Q14. Please provide the contract award date and contract start date.
A14. Estimated award date is 12/31/23. Estimated contract start date is 2/1/24.

Q15. With regard to compostable packaging, what will the City’s position be regarding the desire to bring them back into the stream, will the City want them composted or if they are contaminated, will current technology that only allows for separation through a de-packager be acceptable knowing the compostables will most likely end up in the landfill?
A15. It is desired to reintroduce items during the contract term; however, it is not required that compostable packaging be introduced back into the stream. The expectation is that the compostable material collected be composted, however, contaminated material can be landfilled within the contract terms. Technology that can ultimately improve the quality of the feedstock by sorting out contaminated material is acceptable.

Q16. Will the city consider an extension to the RFP deadline? Some of the questions that have been asked have not yet been responded to and responses to the questions are critical to providing the most comprehensive RFP response to the city.
A16. Due to the schedule of the RFP, the deadline must remain December 8.

Q17. It is our understanding that until the July 2023 rollout of “Pay-As-You-Throw" compost services in SW District 2, city compost services were opt-in, at an additional charge. In our experience, opt-in compost services generate significantly lower contamination rates than universally provided compost services. Does the city have data regarding contamination rates in District 2, or changes in overall contamination rates since the July rollout that can be provided?
A17. As answered in A.3, the City will be asking residents to select the cart size they want, and therefore elect service, for the next phase of the compost rollout. All customers will be eligible for and may elect to use the service.

Q18. The RFP indicates that “The contractor will resell a portion of that compost at the City’s annual Compost Sale in May. Other services or events may be added.” What amount of compost does Denver expect the Contractor to provide for these events? Will the Contractor sell this material to Denver or is it expected to be provided for free? Will the Contractor sell the compost directly to end users at the events? What are the Contractors’ obligations beyond providing material for these events (e.g. staffing, signage, equipment, safety, promotional materials, cash handling)?
A18. The purpose of the event is to generate usage of finished compost by selling it to residents at a discounted rate. Typically, this is done directly through retailers or as bulk sales; however, it has also been done as a staffed event. The sale may generate about 5,000 cubic yards annually, though exact amounts are not guaranteed. The City is open to additional models for a compost sale provided they
accomplish the goals of providing access to finished compost to residents, increasing end markets for the finished product, and increasing awareness of circularity. Depending on the model for the sale, Contractor obligations may vary but would likely include collaboration on marketing/promotional materials. City-run events are typically staffed by City staff.

Q19. Understanding seasonality and peaking factors for the delivered materials is essential to being able to comply with the contract terms and governing regulations. Please provide historical month by month tons from subscription program and the corresponding number of subscribers. Please also provide commentary on expected seasonality of feedstocks in the expanded program including peak monthly quantities.

A19. Spring through fall are the busiest seasons for organics collection, which includes the additional tonnage from the City’s Leafdrop program October-November. It is expected that the seasonal peaks will remain with the expanded program; however, tonnage and material breakdown are not guaranteed. The Attachment A shows the monthly collection from 2022, from approximately 30,000 subscribers.