

End-Use Markets for Byproducts from the Recycling & Energy Center – Addendum Four



**RAMSEY/WASHINGTON
RECYCLING & ENERGY**
CONNECTING VALUE TO WASTE

Issued Date: 09/30/2020

Addition(s)/Change(s)/Clarification(s):

- Change in Solicitation Response Due Date
- Change in Terms and Conditions
- Other

Questions and Answers:

Due to the large number of questions, Questions and Answers have been organized by topic area.

Questions on Administration and Logistics of the RFP

- 1. Will a list of current bidders be provided to everyone that includes company name and address, contact person, e-mail address, phone number so that interested parties may contact each other to potentially partner on this opportunity to provide a total solution?**

A1. The pre-proposal conference attendee list from September 17, 2020, is posted online at <http://morevaluelesstrash.com/vendor-opportunities>. Due to the pre-proposal conference being held virtually via WebEx, a sign-in sheet was not possible. As such, only name, company name and email address were compiled.

- 2. Can responses be sent in electronically to Sam with attachments?**

A2. No, responses will not be accepted electronically via email. Proposal responses must be submitted via mail or hand delivered as instructed in Section 4.1 of the RFP.

- 3. Where can interested vendors pick up the RFP?**

A3. The RFP and addenda can be accessed online via <http://morevaluelesstrash.com/vendor-opportunities>.

- 4. Are you expecting an entire team to respond to the Phase 1 or specific technology?**

A4. If the proposer is proposing with a team, R&E would expect a team proposal to be submitted. Please review the proposal checklist, described in Section 4 of the RFP, for required components of a complete proposal.

- 5. Will an honorarium be provided to the shortlisted teams selected for Phase 2 of the RFP process to compensate for incurred cost for development and engineering during Phase 2?**

A5. An honorarium is not planned at this time.

Questions on Transportation

6. Who will be responsible for transporting logistics and cost of the transporting materials from the R&E Center to the proposer's facility?

A6. Proposers should address responsibility for transporting materials in their proposal. R&E is open to transportation agreements/proposals. Please refer to Section 4.5 of the RFP.

7. If the counties are handling transport, what type of trucks will be used? i.e. transfer trailers, live bottom, etc.?

A7. Proposers should address transportation requirements and responsibility in their proposal. Please refer to Section 4.5 of the RFP. If R&E handles transport of materials, leak-proof live bottom (walking floor) trailers are being considered for transportation for DCB organics.

8. Would the R&E board consider sending one or more feedstocks to an existing processing facility?

A8. Yes.

9. Do you have a current cost per mile of haulage of waste?

A9. Current average cost per mile to transport refuse-derived fuel is \$10.70 per mile. These prices include a fuel charge amount that is calculated using fuel rates from the following website: <https://www.eia.gov/petroleum/gasdiesel>.

10. How many days per week will the food waste be collected & delivered to the food waste processing facility in both the DCB & ORM scenarios?

A10. Proposers should include delivery requirements in their proposals. R&E is considering six or seven day per week delivery of organic materials is open to proposals for delivery frequency.

Questions on Physical Facility Location

11. How much land is available to build a facility on-site at the R&E Center in Newport?

A11. There is not land available at the R&E Center for a facility to be built on-site. Please refer to the answer to question 10 in Addendum One, found online at <http://morevaluelesstrash.com/vendor-opportunities>, for an attachment of the R&E Center site diagram.

12. How much room is "some room" at the R&E Center? Can you include rough dimensions with the map?

A12. The R&E Center property is space-constrained between Interstate 494, the Mississippi River and neighboring Xcel Energy property. Please refer to the answer to question 10 in Addendum One, found online at <http://morevaluelesstrash.com/vendor-opportunities>, for an attachment of the R&E Center site diagram. Space within the existing building is also limited. However, some space may be available at various locations on the property or in the building, but "some room" would likely be in the 100-200 square feet range as opposed to thousands of square feet and would be dependent on what the space was going to be used for in the process.

13. How much space is available in-house at the R&E Center for processing equipment?

A13. Please see the answer to question 12 in this addendum.

14. Is there property available for sale in close proximity to the R&E Center?

A14. The following are resources regarding real estate availability in or near Ramsey and Washington counties, Minnesota:

- Minnesota Commercial Association of Real Estate/Realtors: interactive online map of public commercial property listings available at <https://www.mncar.org/public-commercial-listing>.
- Saint Paul Port Authority: <https://www.sppa.com>; Monte Hilleman, Senior Vice President of Real Estate Development: mmh@sppa.com
- Ramsey County Community & Economic Development Department: <https://www.ramseycountymeansbusiness.com>
- Washington County Community Development Agency: <https://washingtoncountycda.org>; Chris Eng, Economic Development Director: 651-202-2814 or ChrisE@washingtoncountycda.org

15. Does the site of a proposer's facility need to be located in Ramsey or Washington County?

A15. No. A site can be proposed at locations outside of Ramsey County or Washington County.

Questions About R&E Center Operations

16. When are the upgrades planned at the Recycling & Energy Center (the current Newport RDF plant)?

A16. Planned upgrades at the R&E Center in Newport, MN are expected to be completed during approximately the 3rd quarter of 2022.

17. Does the R&E Board utilize flow control? How is waste volume guaranteed to the proposer?

A17. Yes. Ramsey and Washington Counties have ordinances in place that require mixed municipal solid waste to be delivered to the R&E center. More information can be found here: <http://morevaluelesstrash.com/waste-designation>. Please note that mixed municipal solid waste will not be delivered directly to a proposer's facility; materials that are products of waste processed at the R&E Center will be delivered to end market facilities. Waste volume guarantees may be negotiated with vendors. Proposers should indicate their desired conditions in their proposals.

18. Could the R&E Center be reworked or refunctioned to fit a technology?

A18. Please see answer to question 35 in this addendum.

19. What are the tipping fees associated with MSW and organics?

A19. Please refer to the answer to question 3 in Addendum One, found online at <http://morevaluelesstrash.com/vendor-opportunities>. Source-separated organics will be co-collected with the mixed municipal solid waste (MSW) and these mixed MSW loads will be assessed the current tipping fee when delivered to the R&E Center.

Questions About Durable Compostable Bags (DCBs) and Source-Separated Organics

20. Will DCBs be mandatory for each household?

A20. The durable compostable bag program for collecting source-separated organics from residential households will be a voluntary, opt-in program. Estimates for participation in this program are based on ongoing engagement and outcomes from other source-separated organics programs in the region. At program maturity, R&E estimates that approximately 40% of households in the two counties will utilize in the DCB program. Please see Table 2.2 in the RFP for annual estimates for bags per year and tons per year.

21. Can commercial food waste be collected in DCBs also? Will it be mandatory for commercial businesses to use DCBs (e.g. grocery, restaurants, etc.)?

A21. Commercial food waste can be collected in DCBs. The program has not been established yet, but participation would be voluntary for commercial businesses.

22. Who is primarily responsible for educating the residents and commercial clients on acceptable food waste streams for processing?

A22. Ramsey/Washington Recycling & Energy, working closely with Ramsey and Washington counties, will have the primary responsibility. They will work with other partners on engagement and outreach, such as waste haulers and municipalities.

23. Will you consider modifying your two current county guidelines for food waste items so that they are consistent/uniform and easier to understand for residents and commercial clients?

A23. The current acceptable/non-acceptable items list described in Section 2.4 of the RFP is intended to be comprehensive to ensure vendors are fully aware of the food waste items and organic waste materials contemplated. Education for the DCB program is still in development and is not currently available.

24. What are the expected food waste contamination levels in both scenarios?

A24. The food waste contamination rate is anticipated to vary with program maturity as education continues. R&E understands that different technologies have different tolerances for contamination levels. Proposers should include a maximum allowable contamination rate for feedstock materials such as food waste.

25. What is estimated population growth over the next 5 years in Ramsey and Washington counties?

A25. The Metropolitan Council provides regional population growth forecasts for the Twin Cities metropolitan area, which can be found on this website: <https://metro council.org/Data-and-Maps/Research-and-Data/Thrive-2040-Forecasts.aspx>. Tables from this website, for Ramsey County and Washington County, are excerpted below.

| | Population | | | | Households | | | | Employment | | | |
|---------------------|------------|---------|---------|---------|------------|---------|---------|---------|------------|---------|---------|---------|
| | 2010 | 2020 | 2030 | 2040 | 2010 | 2020 | 2030 | 2040 | 2010 | 2020 | 2030 | 2040 |
| Ramsey County Total | 508,640 | 550,720 | 573,510 | 596,250 | 202,691 | 224,410 | 237,150 | 247,120 | 316,937 | 355,760 | 374,910 | 392,860 |

| | Population | | | | Households | | | | Employment | | | |
|-------------------------|------------|---------|---------|---------|------------|---------|---------|---------|------------|--------|--------|---------|
| | 2010 | 2020 | 2030 | 2040 | 2010 | 2020 | 2030 | 2040 | 2010 | 2020 | 2030 | 2040 |
| Washington County Total | 238,136 | 270,490 | 309,500 | 340,910 | 87,859 | 102,590 | 119,820 | 133,600 | 71,897 | 87,560 | 94,840 | 101,490 |

26. What are the vendor's specifications for compostable bags?

A26. An RFP for the manufacturing of durable compostable bags for source-separated organics will be released in late 2020 or early 2021. R&E expects to select one or more vendor(s) for this service in mid- to late-2021. Compostable bags for the DCB program must be BPI certified and pass ASTM 6400 Standard Test for Labeling of Plastics Designed to be Aerobically Composted in Municipal or Industrial Facilities.

27. At what temperatures and over what period of time do the bags break down?

A27. Please see the answer to question 26 in this addendum.

28. Will the vendor provide samples for testing? Or, will the vendor provide test results from outside 3rd parties?

A28. Proposers should include requirements for sample testing in their proposal. Please see the answer to questions 26 in this addendum for additional information about compostable bag process.

29. Will you consider a phased-in approach for equipment processing source-separated organics?

A29. Yes. Please provide a description of the phased-in approach in the proposal.

30. Do you have a preference for potential food waste energy type by-products vs. other end-product uses i.e. compost, etc.?

A30. See Section 2.7 of the RFP for preferred management methods and by-products. R&E has a preference for end-product uses that are highest on the Waste Management Hierarchy as indicated in Figure 2-2 (Section 2.8) in the RFP.

31. Who pays the food waste processing fee, when is it paid, and is there a target price to be paid for the processing or is that negotiable?

A31. Potential revenues and fees for feedstock management would be as negotiated between the proposer and R&E. Section 4.10 of the RFP requires the proposer to provide this detail along with fee structure and components. R&E does not have a target revenue or fee for feedstock management processing.

Questions About Organic-Rich Material (ORM)

32. In order to provide the best alternative use of by-products, can you provide the calorific value of the food waste from the DCB or ORM scenarios?

A32. The calorific value of source-separated organics in DCBs and ORM has not been calculated.

33. What is the current cost for disposal of the fines?

A33. The average cost for disposal of process residue from the R&E Center's current refuse-derived fuel process is \$44.36 per ton.

34. Does the proposer have any input to the operation of the MWPF (mixed waste processing facility) [Recyclable Recovery System, or RRS]? It seems that your MWPF [RRS] would only be

capturing half of the "fines" [ORM]. Will the R&E Board consider plant updates to the MWPF to capture more fines?

A34. The purpose of the Recyclable Recovery System (i.e. MWPF) is to capture ferrous, non-ferrous, #1 and #2 plastics and OCC. The fines fraction is a by-product of this process and this RFP is for proposers to propose an end use for this organic-rich material. The system is not currently installed, and the amount of fines recovery is a conservative estimate of 50 percent. Depending on final equipment selection, additional fines recovery may be observed.

35. Is R&E receptive to design modifications to the RRS to improve the % recovery of organic-rich material, thereby increasing the availability of ORM? Recovery of over 50% is possible.

A35. Please see answer to question 34 in this addendum.

36. Generally, the materials and offtake markets determine the MWPF (mixed waste processing facility) design. In this case, the MWPF design appears to precede the offtake markets. Is there a possibility to postpone the MWPF upgrade until the offtake markets are determined to optimize the overall efficiency and diversion percentage?

A36. The fines fraction (ORM) from the RRS equipment is a by-product as described in question #34. The main offtake market for the system is the recyclables market for ferrous, nonferrous, plastics and OCC. Any requested design modifications should be listed in the proposal, however there is no commitment from R&E that the modifications will be incorporated. Please refer to RFP for materials specifications as defined in the RFP.

Questions About Refuse-Derived Fuel (RDF)

37. Is there a definition for the Refuse Derived Fuel? Does this include plastics?

A37. Section 2.6 of the RFP includes information on refuse-derived fuel (RDF). Yes, RDF includes plastic as a component.

38. Can you please clarify how the plastics will separated out as a stream?

A38. Plastics are currently a component of the RDF. Proposals should address plastics separation techniques. Please see section 2.6 of the RFP.

39. Would you consider a phased approach? For example, utilizing the available 20-40K tons of RDF starting in 2022, then scaling to 350K tons plus when available?

A39. Yes, R&E would consider a phased approach. Proposers should provide a description of the phased-in approach in their proposal.

Questions about Feedstock Volume Guarantees and Other Contract Provisions

40. The RFP shows projected volumes of organics and ORM. Will R&E guarantee volumes, i.e., provide a put or pay financial arrangement?

A40. Proposers should include put-or-pay agreement requirements in their proposal. Please refer to Section 4.10 of the RFP.

41. Can the R&E Board provide clarity on how feedstock will be contracted with the successful proponent? I.E. Will the R&E Board provide a minimum “put or pay” quantity at a pre-determined feedstock price proposed by the proponent’s RFP Phase II submission? If a minimum quantity will be guaranteed, could you advise if this would align with forecast of available materials in RFP Phase I, or some other value?

A41. Proposers should include put-or-pay agreement requirements in their proposal. Please refer to Section 4.10 of the RFP.

42. What is term that R&E will consider to build an AD plant if privately financed?

A42. Proposers should include requested contract terms/duration in their proposal. Please refer to Section 4.10 of the RFP.

43. What is the intended contract duration for operation of the facility? What is the potential length of the contract with renewal options for food waste processing?

A43. Proposers should include requested contract terms/duration in their proposal. Please refer to Section 4.10 of the RFP.

44. Is this contract guaranteed, if the food waste processing plant is meeting all of the specifications agreed upon between the parties?

A44. Proposers should include key contract terms in their proposal. Please refer to Section 4.10 of the RFP.

All Addenda are to be acknowledged on the Cover Page to be included with your submission. FAILURE TO DO SO MAY RESULT IN REJECTION OF THE SOLICITATION RESPONSE. Unless otherwise specified above, the Solicitation Response due date and time and all other Terms and Conditions remain the same.