



COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

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IN REPLY PLEASE
REFER TO FILE: **AS-0**

July 23, 2008

**REQUEST FOR PROPOSALS – INFORMATION UPDATE 1
EXCLUSIVE FRANCHISE AGREEMENTS FOR THE FOLLOWING AREAS:
OCEANVIEW/LA RAMBLA/WEST CARSON, RANCHO DOMINGUEZ/
WEST RANCHO DOMINGUEZ/ROSEWOOD, PIONEER/CARSON PARK,
EL CAMINO VILLAGE/DEL AIRE/WISEBURN/ALONDRA PARK, AND
HACIENDA HEIGHTS**

Please take note of the following clarifications and supplemental information that have been addressed regarding the Request for Proposals (RFP).

**PART I. APPLICATION OF MINIMUM REQUIREMENTS, EVALUATION CRITERIA,
AND/OR BUSINESS REQUIREMENTS**

**1. RFP Section 2.I. Notification of Pending Acquisitions/Mergers by
Proposing/Bidding Company. Request deletion on grounds of irrelevancy.**

Response: The requirement will not be deleted. The requested information is required as to the Proposers in accordance with the Board of Supervisors' Policy No. 9.041, Evaluation of Vendors/Contractors Engaged in Mergers or Acquisitions. The information can be designated as confidential in accordance with the provisions of the RFP. Note that the proposed contract at Section 19 prohibits assignment of the franchise without prior approval by the Director.

A geographic limitation is not appropriate. The disclosure requirement has been amended to include both the Proposer and its Guarantor, if any.

Please refer to Item 3 of Enclosure A.1 in Addendum 2 for the amended language to Part I, Section 2.I of the RFP.

2. **RFP Sections 3.A.6.a and 3.A.6.b, Form PW-16. Disputed Actions, Contests, and Debarments; and Environmental History.** Request to limit scope to Los Angeles County only; weigh the number of actions against an objective baseline for comparison, such as number of employees or number of customers; request and consider information regarding the outcome of the matter.

Response: Except as noted herein, the requested limitation to Los Angeles County is not appropriate and it is not possible to establish mathematical baselines due to the nature of the information, the variety of organizations, and relationships among the Proposers. As explained in more detail below, Section 3.A.6 of the RFP has been amended to address some of the specific concerns expressed in Items 2 through 8 of this document. Proposers may submit pertinent supplemental information.

Please refer to Item 4 of Enclosure A.1 in Addendum 2 for the amended language to Section 3.A.6 of the RFP.

3. **RFP Section 3.A.6.a.i. and iv, Form PW 16. Civil Dispute Record.** Request to limit the scope of this disclosure to Los Angeles County only; weigh the number of incidents against an objective baseline for comparison, such as number of franchises held; request and consider information regarding the outcome of the procurement challenge.

Response: The requested limitation to Los Angeles County is not appropriate and it is not possible to establish mathematical baselines due to the nature of the information and the variety of organizations and relationships among the Proposers. However, Section 3.A.6 of the RFP has been amended. Proposers may submit pertinent supplemental information.

Please refer to Item 4 of Enclosure A.1 in Addendum 2 for Section 3.A.6 as amended. See also Item 14 of Enclosure A.5 in Addendum 2.

4. **RFP Section 3.A.6.a.i., AGMT Section 20J. Criminal Actions.** Request to limit this disclosure to convictions or nolo pleas; add a requirement that an initially selected Proposer pay for an independent review of its criminal history prior to agenizing the award for Board approval.

Response: The suggestion that there should be an independent review after contractor selection and prior to submission for the Board of Supervisors' approval is impracticable. Unresolved accusations will be considered. Proposers may submit pertinent supplemental information.

Please refer to Item 4 of Enclosure A.1 in Addendum 2 for the amended language to Section 3.A.6 of the RFP.

5. **RFP Section 3.A.6.a.iii. Enforcement Actions.** Request to limit the scope of this disclosure to Los Angeles County only; limit the scope of the disclosure to enforcement actions related to wasted hauling only; weigh the number of incidents against an objective baseline for comparison, such as number of employees or number of customers; request and consider information regarding the outcome of the matters.

Response: The proposed geographical limitation is inappropriate. The proposed limitation to waste hauling actions would be ambiguous and potentially, unnecessarily narrow. Proposers may submit pertinent supplemental information.

Please refer to Item 4 of Enclosure A.1 in Addendum 2 for the amended language to Section 3.A.6 of the RFP.

6. **RFP Section 3.A.6.a.v. Class Actions.** Request to limit the scope of this disclosure to Los Angeles County only; weigh the number of incidents against an objective baseline for comparison, such as number of employees or number of customers; request and consider information regarding the outcome of the matter.

Response: The proposed geographical limitation is inappropriate, and it is not possible to establish mathematical baselines due to the nature of the information, the variety of organizations, and relationships among the Proposers. Proposers may submit pertinent supplemental information.

Please refer to Item 4 of Enclosure A.1 in Addendum 2 for the amended language to Section 3.A.6 of the RFP.

7. **RFP Section 3.A.6.a.vi. Labor Disputes.** Request to delete this disclosure, as it could penalize any Proposer for occurrences outside of its control.

Response: The requirement will not be deleted, but will be modified. Please refer to Item 4 of Enclosure A.1 in Addendum 2 for the amended language to Section 3.A.6 of the RFP for geographical limitation on actions against affiliates. Proposers may submit pertinent supplemental information.

8. **RFP Section 3.A.6.b. Environmental History.** Request to limit the scope of this disclosure to Los Angeles County only; limit the scope of the disclosure to notices of violation or administrative enforcement actions; limit the scope of the

disclosure to incidents related to waste hauling only; weigh the number of incidents against an objective baseline for comparison, such as number of employees or number of customers; request and consider information regarding the outcome of the matters.

Response: The proposed geographical limitation is inappropriate. Further, the relevant area has been changed to nationwide. The information requested is from the Proposer and affiliates only. The proposed limitation to notices of violation or administrative enforcement actions and to incidents related to waste hauling would fail to capture all relevant environmental history. It is not possible to establish mathematical baselines due to the nature of the information, the variety of organizations, and relationships among the Proposers. Proposers may submit pertinent supplemental information.

Please refer to Item 4 of Enclosure A.1 in Addendum 2 for the amended language to Section 3.A.6 of the RFP.

9. **RFP Sections 3.A.7, 5.C, and 5.D. Financial Stability.** Request to add financial stability as an evaluation criterion; add the ability to provide value added services beyond that required in the franchise agreement as an element of the Work Plan evaluation criteria; establish a system to meet and confer with Proposers to review financial data prior to scoring of the financial evaluation criteria.

Response: The request that the Work Plan evaluation includes consideration of "value added" services has merit, and Part I of the RFP will be amended at Section 5.D.2 to provide that "the Evaluation Committee will evaluate the Proposer's Work Plan based on the extent to which the Work Plan demonstrates that the Proposer is likely to meet or exceed its performance obligations...." This change will be included in forthcoming Addendum 3.

Information regarding the Proposers' financial condition will not be evaluated as requested. However, we have added a minimum gross business income requirement, as there will be no evaluation. It is unnecessary and impracticable to meet with Proposers regarding review of their financial data as requested.

The RFP has been amended at Part I by deleting the existing Sections 3.A.7 and 5.C and inserting new language.

Please refer to Items 2 and 4, respectively, from Addendum 2 for the amended language.

- 10. RFP Section 3.A.8.iv. Socioeconomic Population.** Request to delete this disclosure; it does not seem relevant and could be viewed by the public as indicative of racial or ethnic discrimination in the County's provision of exclusive solid waste services.

Response: The requirement will not be deleted as requested. Part I, Section 3.A.8.d.iv has been amended to replace the term "socioeconomic" with "demographic." Please refer to Item 3 in Addendum 2.

Proposer's experience serving communities demographically similar to the franchise area (similar level of education and income, predominant language, and cultural background) may demonstrate that the Proposer will be more likely to conduct effective customer education and outreach, implement a smooth service transition at commencement of the franchise, and increase customer participation in recycling, green waste and household hazardous waste disposal programs.

- 11. RFP Sections 3.A.13; 4.M, PW-4. Industrial Safety Record.** Request to limit the scope of this disclosure to Los Angeles County only; weigh the number of incidents against an objective baseline for comparison, such as number of employees or number of customers.

Response: No, the County will not limit the geographical scope of this disclosure to the County of Los Angeles. The form expressly limits the scope to the State of California. It is not possible to establish mathematical baselines due to the nature of the information, the variety of organizations, and relationships among the Proposers.

- 12. RFP Section 3.A.13, PW-15. Terminated Contracts.** Request to limit scope of disclosure to public contracts in Los Angeles County only; weigh the number of incidents against an objective baseline for comparison, such as number of public contracts; request and consider information regarding the reason for the termination.

Response: The requirement will not be limited to public contracts in the County of Los Angeles as requested. It is not possible to establish mathematical baselines due to the nature of the information, the variety of organizations, and relationships among the Proposers. Information regarding terminated contracts may be considered by the evaluators to the extent that it is relevant in scoring the Proposers' work plan, references, and experience. In addition, terminated contracts may reflect Proposer's ability to finance the proposed contract activities. Therefore, the requested limitation on the disclosures would work

against selection of more responsible Proposers. Proposers may submit pertinent supplemental information.

PART II CLARITY OF INSTRUCTIONS

- 1. RFP Sections 5.D and 5.D.8. Additional Criteria.** Request to delete these provisions and limit the evaluation to the stated criteria.

The ability to consider information not disclosed by the Proposer, whether within the scope of the evaluation criteria or not, is essential to a diligent investigation of the potential contractors and will not be deleted. The County reserves the right to consider additional relevant information. Such material, if any, will be considered in an appropriate and fair process.

The proposal submission deadline has been extended for all franchise areas to Wednesday, August 6, 2008, at 10 a.m.

If you have questions concerning the above information, please contact Ms. Melissa Saradpon at (626) 458-4077, Monday through Thursday, 7 a.m. to 5:30 p.m.

Very truly yours,

DEAN D. EFSTATHIOU
Acting Director of Public Works

A handwritten signature in black ink, appearing to read "Ghayane Zakarian", with a stylized flourish at the end.

GHAYANE ZAKARIAN, Chief
Administrative Services Division

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