

CONTRACT DOCUMENTS

***City of Lincoln
Nebraska***

**ANNUAL REQUIREMENTS
FOR
MATERIAL GRINDING SERVICES
BID NO. 14-097**

**Hofeling Enterprises, Inc.
2200 South Folsom Court
Lincoln, NE 68752
402.438.8733**

**City of Lincoln, Nebraska
Contract Agreement**

THIS CONTRACT, made and entered into this 8th day of May 2014, by and between **Hofeling Enterprises, Inc., 2200 South Folsom Court, Lincoln, NE 68522** hereinafter called Contractor, and the City of Lincoln, Nebraska, a municipal corporation, hereinafter called the City.

WHEREAS, the City has caused to be prepared, in accordance with law, Specifications, Plans, and other Contract Documents for the Work herein described, and has approved and adopted said documents and has caused to be published an advertisement for and in connection with said Work, to-wit:

Annual Requirements for Material Grinding Services, Bid No. 14-097

and,

WHEREAS, the Contractor, in response to such advertisement, has submitted to the City, in the manner and at the time specified, a sealed Proposal/Supplier Response in accordance with the terms of said advertisement; and,

WHEREAS, the City, in the manner prescribed by law has publicly opened, read aloud, examined, and canvassed the Proposals/Supplier Responses submitted in response to such advertisement, and as a result of such canvass has determined and declared the Contractor to be the lowest responsible bidder for the said Work for the sum or sums named in the Contractor's Proposal/Supplier Response, a copy thereof being attached to and made a part of this Contract;

NOW, THEREFORE, in consideration of the sums to be paid to the Contractor and the mutual covenants herein contained, the Contractor and the City have agreed and hereby agree as follows:

1. The Contractor agrees to (a) furnish all tools, equipment, supplies, superintendence, transportation, and other accessories, services, and facilities; (b) furnish all materials, supplies, and equipment specified to be incorporated into and form a permanent part of the complete work; © provide and perform all necessary labor in a substantial and workmanlike manner and in accordance with the provisions of the Contract Documents; and (d) execute and complete all Work included in and covered by the City's award of this Contract to the Contractor, such award being based on the acceptance by the City of the Contractor's Proposal, or part thereof, as follows:

Agreement to full proposal.

2. The City agrees to pay to the Contractor for the performance of the Work embraced in this Contract, the Contractor agrees to accept as full compensation therefore, the following sums and prices for all Work covered by and included in the Contract award and designated above, payment thereof to be made in the manner provided by the City:

The City will pay for products/services, according to the Line Item pricing as listed in Contractors Proposal/Supplier Response, a copy thereof being attached to and made a part of this Contract for a total of \$264,000.00.

3. **EQUAL EMPLOYMENT OPPORTUNITY:** In connection with the carrying out of this project, the Contractor shall not discriminate against any employee, applicant for employment, or any other person because of race, color, religion, sex, national origin, ancestry, disability, age or marital status. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, national origin, ancestry, disability, age or marital status. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other compensation; and selection for training, including apprenticeship.

4. E-VERIFY: In accordance with Neb. Rev. Stat. 4-108 through 4-114, the contractor agrees to register with and use a federal immigration verification system, to determine the work eligibility status of new employees performing services within the state of Nebraska. A federal immigration verification system means the electronic verification of the work authorization program of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, 8 U.S.C. 1324 a, otherwise known as the E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security or other federal agency authorized to verify the work eligibility status of a newly hired employee pursuant to the Immigration Reform and Control Act of 1986. The Contractor shall not discriminate against any employee or applicant for employment to be employed in the performance of this section pursuant to the requirements of state law and 8 U.S.C.A 1324b. The contractor shall require any subcontractor to comply with the provisions of this section.
5. GUARANTEE: A performance bond in the full amount of the contract shall be required for this contract. This bond shall remain in effect during the guarantee period as stated in the specifications. Once the project is completed, the Contractor may submit a maintenance bond in place of the performance bond.
6. Termination. This Contract may be terminated by the following:
 - 6.1) Termination for Convenience. Either party may terminate this Contract upon thirty (30) days written notice to the other party for any reason without penalty.
 - 6.2) Termination for Cause. The City may terminate the Contract for cause if the Contractor:
 - 6.2.1) Refuses or fails to supply the proper labor, materials and equipment necessary to provide services and/or commodities.
 - 6.2.2) Disregards Federal, State or local laws, ordinances, regulations, resolutions or orders.
 - 6.2.3) Otherwise commits a substantial breach or default of any provision of the Contract Document. In the event of a substantial breach or default the City will provide the Contractor written notice of said breach or default and allow the Contractor ten (10) days from the date of the written notice to cure such breach or default. If said breach or default is not cured within ten (10) days from the date of notice, then the contract shall terminate.
7. INDEPENDENT CONTRACTOR: It is the express intent of the parties that this contract shall not create an employer-employee relationship. Employees of the Contractor shall not be deemed to be employees of the City and employees of the City shall not be deemed to be employees of the Contractor. The Contractor and the City shall be responsible to their respective employees for all salary and benefits. Neither the Contractor's employees nor the City's employees shall be entitled to any salary, wages, or benefits from the other party, including but not limited to overtime, vacation, retirement benefits, workers' compensation, sick leave or injury leave. Contractor shall also be responsible for maintaining workers' compensation insurance, unemployment insurance for its employees, and for payment of all federal, state, local and any other payroll taxes with respect to its employees' compensation.
8. The work included in this Contract shall begin as soon as possible from date of executed contract. The term of the Contract shall be a **one (1) year term** with the option to renew for three (3) additional one year terms.
9. The Contract Documents comprise the Contract, and consist of the following:
 1. Contract Agreements
 2. Accepted Proposal\Supplier Response
 3. Supplier Extra Attachments
 4. Specifications
 5. Insurance Requirements
 6. Instructions to Bidders
 7. Notice to Bidders
 8. Sales Tax Exemption Form 13

These Contract Agreements, together with the other Contract Documents herein above mentioned, form this Contract, and they are as fully a part of the Contract as if hereto attached or herein repeated.

The Contractor and the City hereby agree that all the terms and conditions of this Contract shall by these presents be binding upon themselves, and their heirs, administrators, executors, legal and personal representatives, successors, and assigns.

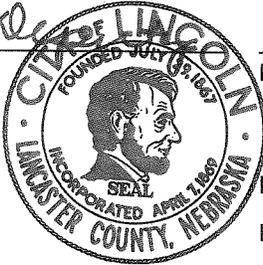
IN WITNESS WHEREOF, the Contractor and the City do hereby execute this contract.

EXECUTION BY THE CITY OF LINCOLN, NEBRASKA

ATTEST:

CITY OF LINCOLN, NEBRASKA

Erin L. Dubas,
City Clerk



[Signature]
Mayor

Approved by:

Executive Order No. 08,194

Dated 5-28-14

EXECUTION BY CONTRACTOR

IF A CORPORATION:

ATTEST:

Hofeling Enterprises, Inc.
Name of Corporation

Leann K. Hofel (SEAL)
Secretary

2200 S. Folsom Ct.
Address Lincoln, NE 68522

By: Scott E. Hofel
Duly Authorized Official

President
Legal Title of Official

IF OTHER TYPE OF ORGANIZATION:

Name of Organization

Type of Organization

Address

By: _____
Member

By: _____
Member

IF AN INDIVIDUAL:

Name

Address

Signature

City of Lincoln/Lancaster County (Lincoln Purchasing) Supplier Response

Bid Information		Contact Information		Ship to Information
Bid Creator	Sharon R. Mulder Asst Purchasing Agent	Address	Purchasing 440 S. 8th St. Lincoln, NE 68508	Address
Email	smulder@lincoln.ne.gov	Contact	Sharon R. Mulder Asst Purchasing Agent	Contact
Phone	(402) 441-7428			
Fax	(402) 441-6513			
Bid Number	14-097	Department		Department
Title	Material Grinding Services	Building		Building
Bid Type	Bid		Suite 200	
Issue Date	03/30/2014	Floor/Room		Floor/Room
Close Date	4/11/2014 12:00:00 PM CT	Telephone	(402) 441-7428	Telephone
Need by Date		Fax	(402) 441-6513	Fax
		Email	smulder@lincoln.ne.gov	Email

Supplier Information

Company Hofeling Enterprises, Inc.
 Address 2200 South Folsom Court

 Lincoln, NE 68522
 Contact LeAnn Hofeling
 Department
 Building
 Floor/Room
 Telephone 1 (402) 438-8733
 Fax 1 (402) 438-8771
 Email leann@hofelingenterprises.com
 Submitted 4/11/2014 10:29:32 AM CT
 Total \$10,761,200.00

Signature _____

Supplier Notes _____

Bid Notes _____

Bid Activities _____

Bid Messages _____

Please review the following and respond where necessary

#	Name	Note	Response
1	Instructions to Bidders	I acknowledge reading and understanding the Instructions to Bidders.	Yes
2	Insurance Requirements	I acknowledge reading and understanding the Insurance Requirements.	Yes
3	Bid Documents	I acknowledge and accept that it is my responsibility as a Bidder to promptly notify the Purchasing Department Staff prior to the close of the bid of any ambiguity, inconsistency or error which I may discover upon examination of the bid documents including, but not limited to the Specifications.	Yes
4	Specifications	I acknowledge reading and understanding the specifications.	Yes
5	Bid Bond Submission - City	I acknowledge and understand that my bid will not be considered unless a bid bond or certified check in the sum of five percent (5%) of the total amount of the bid is made payable to the order of the City Treasurer as a guarantee of good faith prior to the bid opening. The bid security may be scanned and attached to the 'Response Attachments' section of your response or faxed to the Purchasing Office (402)441-6513. The original bond/check must then be received in the Purchasing Office, 440 S. 8th Street, Ste. 200, Lincoln, NE 68508 within three (3) days of bid closing. YOU MUST INDICATE YOUR METHOD OF BID BOND SUBMISSION IN BOX TO RIGHT!	I have scanned and attached my bid bond.
6	Type of Equipment	State the Equipment Model, Horsepower and Method of Loading of the equipment you propose to use.	Hogzilla 1000 HP Tub grinder, CAT 324 EXCAVATOR
7	References	I have attached my References to the Response Attachment section of this bid.	Yes
8	Sample Contract	I acknowledge reading and understanding the sample contract.	Yes
9	Contact	Name of person submitting this bid:	Scott Hofeling
10	Quantities	I acknowledge that the quantities listed for each line item are an estimated yearly amount. The City does not guarantee any dollar amount or order quantities for the term of the contract.	Y
11	Renewal is an Option	Contract Extension Renewal is an option.	Yes
12	Special Provision Term Contract Provisions	I acknowledge reading and understanding the Special Provision Term Contract Provisions.	Yes
13	Escallation/De-escalation	(a) Are your bid prices firm for a one (1) year contract period. YES or NO (b) Are your bid prices subject to escalation/de-escalation YES or NO (c) If (b), state period for which prices will remain firm: through _____	YES, NO, 1 year
14	Tax Exempt Certification Forms	Materials being purchased in this bid are tax exempt and unit prices are reflected as such. A Purchasing Agent Appointment form and a Exempt Sales Certificate form shall be issued with contract documents. (Note: State Tax Law does not provide for sales tax exemption for proprietary functions for government, thereby excluding the purchases of pipes to be installed in water lines and purchase of water meters.)	Yes

15 Electronic Signature

Please check here for your electronic signature.

Yes

Line Items

#	Qty	UOM	Description	Response
1	5,000	Ton	Grinding Services for tree trimming/removal wastes and clean non-tree wood waste, using a two (2) inch screen	\$450.00
Item Notes: State the minimum production rate in tons per hour in the Supplier Notes.				
Supplier Notes: 35 Tons/hour				
2	5,000	Ton	Grinding Services for tree trimming/removal wastes and clean non-tree wood waste, using a four (4) inch screen	\$400.00
Item Notes: State the minimum production rate in tons per hour in the Supplier Notes.				
Supplier Notes: 45 Tons/hour				
3	5,000	Ton	Grinding Services for Construction Wastes (i.e. dimensional lumber and drywall), using a four (4) inch screen	\$400.00
Item Notes: State the minimum production rate in tons per hour in the Supplier Notes.				
Supplier Notes: 45 Tons/hour				
4	5,000	Ton	Grinding Services for Organic Wastes, (i.e. food wastes, non-recyclable paper), using a four (4) inch screen	\$400.00
Item Notes: State the minimum production rate in tons per hour in the Supplier Notes.				
Supplier Notes: 40 Tons/hour				
5	5,000	Ton	Grinding Services for Storm/Diseased Damaged Trees, using a four (4) inch screen	\$500.00
Item Notes: State the minimum production rate in tons per hour in the Supplier Notes.				
Supplier Notes: 50 Tons/hour				
6	16	Hour	Grinding Services for Christmas Tree Waste, using two (2) inch screen.	\$400.00
Item Notes: Item is bid on a per hour basis and not on a per ton basis.				
Supplier Notes:				
7	40	Hour	Front End Loader with Operator	\$120.00
Item Notes: Bid requested in the event the City is not able to provide a front-end loader with operator to move trees, construction or organic wastes to the machine during grinding event(s).				
Supplier Notes: Loading via excavator results in less support (front end loader)while grinding.				
Response Total:				\$10,761,200.00

**STANDARD SPECIFICATIONS
FOR
MATERIAL GRINDING SERVICES**

1. SUBMITTAL INSTRUCTIONS

- 1.1 These services shall be performed for the Public Works and Utilities Department and the Parks and Recreation Department on an on-call basis or other agreed upon regularly scheduled basis, except where noted.
- 1.2 Routine grinding services will be performed at the City's two landfill sites located at 6001 Bluff Road and 5101 North 48th Street.
- 1.3 Special grinding services may be requested at various locations throughout the City during the term of the agreement.
- 1.4 The term of the contract shall be for one (1) year with the option to renew for three (3) additional one (1) year terms from the date of execution of the contract by both parties.
- 1.5 The City or Contractor may terminate the Contract at any time by providing a thirty (30) day written notice.
- 1.6 Vendor shall submit bid documents and all supporting material via e-bid.
- 1.7 All inquiries regarding these specifications shall be directed via e-mail or faxed written request to Sharon Mulder, Asst. Purchasing Agent (smulder@lincoln.ne.gov) or fax: (402) 441-6513.
 - 1.7.1 These inquiries and/or responses shall be distributed to prospective bidders electronically as an addenda.
 - 1.7.2 The Purchasing Office shall only reply to written inquiries received within five (5) calendar days of bid opening.
 - 1.7.3 No direct contact is allowed between Vendor and other City staff throughout the bid process.
 - 1.7.3.1 Failure to comply with this directive may result in Vendor bid being rejected.

2. CONTRACT AND INSURANCE

- 2.1 Within fourteen (14) calendar days after the award of bid the Contractor(s) shall execute a written Agreement between the Contractor and the City, sample attached.
- 2.2 Also, within such time period, the Contractor shall furnish with the executed agreement a certificate of insurance in accordance with the attached "Insurance Requirements for All City Contracts", naming the City of Lincoln as additional insured.
- 2.3 Insurance shall be updated annually.

3. BIDDING PROCEDURE AND AWARD OF CONTRACTS

- 3.1 In determining the low responsible bids, consideration may be given to the following factors:
 - 3.1.1 Ability, capacity and skill of the bidder to comply with the specifications and perform the work required by the contract.
 - 3.1.2 Character, integrity, reputation, judgment, experience and efficiency of the bidder.
 - 3.1.3 Ability of the bidder to perform the work within the time specified for each project.
 - 3.1.4 Previous and current compliance of the bidder with laws and regulations relating to the work.
 - 3.1.5 Total cost per hour to perform the work.
 - 3.1.6 Quality of the bidder's performance of previous work.
 - 3.1.7 Total annual cost evaluated on a per ton basis using the stated production rates, hourly prices and estimated quantities.
 - 3.1.8 Production rates and their impact to City expenses when City personnel and equipment are assisting the Contractor.
 - 3.1.9 Any other information deemed relevant to the contract by the City.
- 3.2 Contracts resulting from bid proposals shall not be on an all-or-none basis, and may be awarded to several bidders based on price, scheduling, the ability to complete work on time, quality of work, compliance with stated production rates and previous inspection and acceptance of past projects.
- 3.3 The City further reserve the right to analyze bid proposals in detail and to award contracts which the City believes to be in their best interests.
- 3.4 The City may make any investigation deemed necessary to determine the ability of a bidder to perform in accordance with the specifications.

- 3.5 The City reserve the right to reject any bid based on facts resulting from any investigation which indicates that a bidder is not properly qualified to perform the obligations of any resulting contract.

4. **BIDDER QUALIFICATIONS**

- 4.1 Bidders shall provide a minimum of three (3) references for similar projects completed in the last five (5) years.
- 4.2 References should include: name of firm, contact person, address, and telephone number, and may include references of work previously performed for the City.

5. **TYPES OF MATERIALS TO BE PROCESSED**

- 5.1 At the two landfill sites; tree trimmings and tree removal wastes including brush, limbs, trunks, and occasional stumps shall be commingled into one stockpile.
- 5.1.1 The majority of material is less than 24 inches in diameter with some occasional material up to 36 inches or larger in diameter.
- 5.1.2 The Contractor shall be able to process all materials which the City collects.
- 5.1.3 The City will assist the Contractor in separating materials for loading into the grinding equipment.
- 5.1.4 The City may deposit pallets and other clean non-tree wood wastes in these stockpiles.
- 5.1.5 The estimated annual quantity of material is 5,000 tons.
- 5.1.6 Pen wastes including straw, hay, manure or similar materials may be collected and processed at the City's yard waste composting site with an estimated annual quantity of 0 - 200 tons.
- 5.1.7 Other wastes which may be processed include newspaper, telephone books, construction site debris or other similar organic materials with an annual quantity of 0 - 500 tons.
- 5.2 Other material for which grinding may be requested during the term of the agreement includes the following:
- 5.2.1 Construction waste such as dimensional lumber and drywall with an estimated annual quantity of 5,000 tons.
- 5.2.2 Other organic waste such as food waste and non-recyclable paper with an estimated annual quantity of 5,000 tons.
- 5.2.3 Storm damaged or disease damaged trees with an estimated annual quantity of 5,000 tons.
- 5.2.4 Christmas trees with an estimated annual quantity of 150 tons.
- 5.3 All quantities are estimated and shall not be considered as a guarantee.

6. **EQUIPMENT SIZE AND PRODUCTION RATES**

- 6.1 Minimum horsepower of processing equipment shall be 600 HP.
- 6.2 Processing equipment shall be capable of removing ferrous materials from the end product.
- 6.3 Bidders shall state equipment model, horsepower and method of loading the equipment.
- 6.4 Bidders shall state the minimum production rates.
- 6.5 Production rates shall be evaluated using data collected from the City's tipping receipts with the following assumptions:
- 6.5.1 All large vehicles are weighed.
- 6.5.2 Pickup trucks and / or small trailers are assumed to carry 500 pounds of tree wastes.
- 6.5.3 Pickup trucks with small trailers are assumed to carry 1000 pounds of tree wastes.
- 6.5.4 Cars are assumed to carry 200 pounds of tree wastes.
- 6.6 Tipping receipt reports can be furnished upon request.

7. **LOCATIONS OF WORK AND SITE DESCRIPTIONS**

- 7.1 The Public Works and Utilities Department has two tree waste collection sites for public use located at the North 48th Street Solid Waste Transfer Station (5101 North 48th Street) and the Bluff Road Landfill (6001 Bluff Road).
- 7.1.1 The North 48th Street site has a soil surface collection and processing area.
- 7.1.2 The Bluff Road site has an asphalt surface collection and processing area.
- 7.1.3 The estimated annual quantity of material processed at these locations is approximately 5,000 tons.

- 7.2 The Parks and Recreation Department may have up to six (6) possible collection sites for tree trimming wastes located throughout the City which are intended for City use only.
 - 7.2.1 The Parks and Recreation Department currently hauls these tree trimming wastes to a private week waste processor.
 - 7.2.2 Waste materials are not accepted from the general public at these locations.
 - 7.2.3 These locations are generally located on soil surfaced areas.
 - 7.2.4 The total estimated annual quantity of material processed at these sites may range from 0 - 1000 tons.
- 7.3 In the event the Contractor is contracted to grind Christmas trees, the City anticipates a maximum of eight (8) Christmas tree collection sites located throughout the City.
 - 7.3.1 These sites are located on both paved and soil surfaced areas.
 - 7.3.2 The estimated total annual quantity processed at these sites is approximately 150 tons.
 - 7.3.3 Christmas trees are to be ground at each collection site.
 - 7.3.4 Services shall continue on a daily basis until all Christmas tree grinding is completed.
- 7.4 In the event of natural disaster, the City may provide additional collection sites throughout the City.
 - 7.4.1 In the event of the natural disaster Lancaster County, Nebraska shall be allowed to piggyback on this contract under the same terms and conditions.
- 7.5 Grinding services for construction wastes or other organic waste may be requested to be performed at a designated site(s) in the City.

8. RESPONSIBILITIES OF THE CONTRACTOR

- 8.1 Provide all equipment, labor, materials, fuel, lubricants, repair, maintenance, etc. to perform services.
- 8.2 Provide suitable equipment to grind and screen the described materials at the minimum stated production rates utilizing a two (2) inch or a four (4) inch screen.
- 8.3 The Contractor shall be responsible for loading material in the grinding equipment with a grapple, front end loader or other similar equipment.
- 8.4 Processed material shall be conveyed to a minimum height of ten (10) feet.
- 8.5 The Contractor's grinding process when using a two (2) inch screen shall provide a uniform product size of two (2) inches and less, with no more than 10% of the material being over two (2) inches in size.
- 8.6 The Contractor's grinding process when using a four (4) inch screen shall provide a uniform product size of four (4) inches and less, with no more than 10% of the material being over four (4) inches in size.
- 8.7 The Contractor shall have the ability to cut oversized materials (greater than eight (8) feet) to the length necessary for processing.
- 8.8 Damage to the Contractor's equipment from debris or contaminates in the waste materials shall not be cause for additional compensation.
- 8.9 The Contractor shall have the ability to provide grinding services a minimum of six times per year, except where noted.
- 8.10 The Contractor shall provide services within fifteen (15) calendar days following the request by the City.
 - 8.10.1 The City shall consider other schedules as requested by the Contractor.
 - 8.10.2 In the event of work stoppage due to equipment failure or inclement weather conditions, the Contractor shall begin work on the next available day.
 - 8.10.3 Once work is initiated at a site, the Contractor shall complete all work during consecutive days except for stoppages due to equipment failure or inclement weather.
 - 8.10.4 At the time of the request for service the City shall notify the contractor of the screen size to use for that particular grinding event.
- 8.11 In the event that the Contractor provides services for processing Christmas trees, the grinding would commence on the third Monday of January.
- 8.12 The Contractor shall provide the stated minimum production rates throughout the term of the Contract.

9. RESPONSIBILITIES OF THE CITY

- 9.1 The City shall provide a suitable front end loader and equipment operator to push or carry material to the general proximity of the processing equipment in order for the Contractor to

feed / load the grinding equipment.

- 9.1.1 City staff and equipment shall be available during a ten (10) hour day with normal rest periods.
- 9.1.2 Other work schedules including overtime hours and work during weekends shall be considered at the request of the Contractor.
- 9.1.3 Work priorities elsewhere in the operation may cause City staff to be temporarily reassigned for a period of time.
- 9.1.4 Equipment breakdown may cause City staff and equipment to temporarily be unavailable.
- 9.2 The City shall not load the processing equipment hopper.
- 9.3 The City shall guarantee a minimum four (4) hour charge for on-call services.
- 9.4 The City shall to the best of its ability restrict the length of tree wastes to eight (8) feet.
- 9.5 The City shall retain all the shredded wood/wood chips produced by the contractor for use within their operation.

10. BASIS OF PAYMENT

- 10.1 Payment shall be based on a per hour charge using the price indicated on the Electronic Supplier Response.
- 10.2 All costs associated with mobilization(s), equipment setup and preparation, labor, equipment operation, and equipment maintenance and repair costs shall be included in the hourly charge.
- 10.3 The hours billed shall be for production hours only.
- 10.4 Invoices shall be submitted separately to the Public Works and Utilities Department and the Parks and Recreation Department for applicable services performed.
 - 10.4.1 Use the following mailing addresses:
 - 10.4.1.1 Public Works and Utilities,
Solid Waste Operations Section
5101 North 48th Street
Lincoln, NE 68504
 - 10.4.2 Parks and Recreation
Forestry Section,
2740 A Street
Lincoln, NE, 68502
- 10.5 Invoices shall include dates of service, description of service, production hours billed, unit price, and extended total for each service provided and for each site where work was performed.