

Resolution

CONTRACT DOCUMENTS

**CITY OF LINCOLN
NEBRASKA**

**ANNUAL SERVICES
Recycling Processing Services
Bid No. 16-080**

**First Star Recycling
10330 I Street, Suite 100
Omaha, NE 68127
(402) 894-0003**

**CITY OF LINCOLN
CONTRACT TERMS**

THIS CONTRACT, made and entered into by and between **First Star Recycling, 10330 I Street, Suite 100, Omaha, NE 68127**, hereinafter called "Contractor", and the City of Lincoln, Nebraska, a municipal corporation, hereinafter called "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:

Recycling Processing Services, Bid No. 16-080

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 Responses, 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 has 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; (c) 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:

There is no cost to the City for this service. The City will receive revenue monthly, totaling approximately \$170,000.00 each year, for a total of approximately \$680,000.00 during the term of this contract, 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.

3. Equal Employment Opportunity. In connection with the carrying out of this project, the contractor shall not discriminate against any employee or applicant for employment 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. Termination. This Contract may be terminated by the following:
 - 5.1) Termination for Convenience. Either party may terminate this Contract upon thirty (30) days written notice to the other party for any reason without penalty.
 - 5.2) Termination for Cause. The City may terminate the Contract for cause if the Contractor:
 - 5.2.1) Refuses or fails to supply the proper labor, materials and equipment necessary to provide recycling processing services.
 - 5.2.2) Disregards Federal, State or local laws, ordinances, regulations, resolutions or orders.
 - 5.2.3) 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.
6. 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.
7. Period of Performance. This Contract shall be effective June 1, 2016 through May 31, 2020. The term of the Contract shall be a four (4) year term with option to renew for two (2) additional one (1) year terms.
8. The Contract Documents comprise the Contract, and consist of the following:
 1. Contract Terms
 2. Accepted Proposal/Supplier Response
 3. Specifications
 4. Special Provisions
 5. Performance Bond
 6. Annual Summary of Recyclables Collected by Month for FY 2014-2015
 7. Acceptable Materials Worksheet
 8. Recovered Paper Price Watch
 9. Recycling Markets - Commodity Pricing
 10. Drop-Off Site Summary for a Month
 11. Addendum No. 1
 12. Drop-Off Site Summary for a Month
 13. Instructions to Bidders
 14. Insurance Requirements
 15. Sales Tax Exemption Form 13
(Note: This form cannot be used for the WATER Division of the City of Lincoln. The WATER Division is taxable per Reg. 066.14A or applicable laws.)

The herein above mentioned Contract Documents form this Contract and are a part of the Contract as if hereto attached. Said documents which are not attached to this document may be viewed at: lincoln.ne.gov - Keyword: Bid - Awarded or Closed bids.

The Contractor and the City hereby agree that all the terms and conditions of this Contract shall 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 upon completion of signatures on:

Vendor Signature Page
City of Lincoln Signature Page

Vendor Signature Page

ANNUAL SERVICES
Recycling Processing Services
Bid No. 16-080
City of Lincoln
First Star Recycling

EXECUTION BY CONTRACTOR

IF A CORPORATION:

Attest:

Danell Gubbels Seal
Secretary

Firststar Fiber, Inc.

Name of Corporation

10330 I Street, Suite 100, Omaha NE 68127

Address

By: Dale Gubbels *Dale Gubbels*

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 Signature Page

**ANNUAL SERVICES
Recycling Processing Services
Bid No. 16-080
City of Lincoln
First Star Recycling**

EXECUTION BY THE CITY OF LINCOLN, NEBRASKA

ATTEST:

CITY OF LINCOLN, NEBRASKA

City Clerk

Chris Beutler, Mayor

Approved by Resolution No. _____

dated _____

COMMENTARY TO ACCOMPANY BONDS

A. GENERAL INFORMATION

Bonds are required by statutes for public work in many jurisdictions and are widely used for other projects as well.

The Performance Bond is an instrument that is used to assure the availability of funds to complete the project.

The objective underlying the re-writing of bond forms is to make it more understandable to provide guidance to users. The intention was to define the rights and responsibilities of the parties, without changing the traditional rights and responsibilities that have been decided by the courts. The new bond form provides helpful guidance regarding time periods for various notices and actions and clarify the extent of available remedies.

The concept of pre-default meeting has been incorporated into the Performance Bond. All of the participants favored early and informal resolution of the problems that may precipitate a default, but some Surety companies were reluctant to participate in pre-default settings absent specific authorization in the bond form.

The responsibilities of the Owner and the options available to the Surety when a default occurs are set forth in the Performance Bond.

Normally the amount of the bond is 100 percent of the contract amount.

B. COMPLETING THE FORMS

Bonds have important legal consequences; consultation with an attorney and a bond specialist is encouraged with respect to federal, state and local laws applicable to bonds and with respect to completing or modifying the bond forms.

Bond forms have a similar format and the information to be filled in is ordinarily the same on both bonds. If modification is necessary, the modifications may be different.

The bond form is prepared for execution by the Contractor and the Surety. Evidence of authority to bind the Surety is usually provided in the form of a power of attorney designating the agent who is authorized to sign on behalf of the Surety. The power of attorney should be filed with the signed bond.

Preferably the bond date should be the same date as the contract, but in no case should the bond date precede the date of the contract.

To accompany the Performance Bond (EJCDC No.1910-28A). Prepared by the Engineers' Joint Contract Documents Committee

PERFORMANCE BOND

Bond No. 2209537

Any singular reference to Contractor, Surety, Owner or other party shall be considered plural where applicable.

CONTRACTOR:

**First Star Recycling
10330 I Street, Suite 100
Omaha, NE 68127**

**SURETY (Name and Principal
Place of Business):**

North American Specialty Insurance Company
475 N. Martingale Road, Suite 850
Schaumburg, IL 60173

Owner:
City of Lincoln
555 South 10th St.
Lincoln, NE 68508

CONTRACT

Date: 6/1/2016
Amount: \$15,000.00

Description:
**For all labor, material and equipment necessary for Recycling Processing Services,
Bid No. 16-080.**

BOND

Date: 6/1/2016 through 5/31/2017
Amount: \$15,000.00
Modifications to this Bond Form: None

CONTRACTOR AS PRINCIPAL
Company: (Corp. Seal)

**First Star Recycling
10330 I Street, Suite 100
Omaha, NE 68127**

SURETY
Company: (Corp. Seal)
North American Specialty Insurance Company

Signature: Dale Gubbels
Name and Title: Dale Gubbels, President

Signature: Maura P Kelly
Name and Title: Maura P. Kelly, Attorney-in-Fact

EJCDC NO. 1910-28a (1984 Edition)
Prepared through the joint efforts of The Surety Assoc. of America. Engineers' Joint Contract Documents Committee. The Associated General Contractors of America, and the American Institute of Architects.

1. The Contractor and the Surety, jointly and severally, bind themselves their heirs, executors, administrators, successors and assigns to the Owner for the performance of the Contract, which is incorporated herein by reference.
2. If the Contractor performs the Contract, the Surety and the Contractor shall have no obligation under this Bond, except to participate in conferences as provided in Subparagraph 3.1.
3. If there is no Owner Default, the Surety's obligation under this Bond shall arise after:
 - 3.1 The Owner has notified the Contractor and the Surety at its address described in Paragraph 10 below, that the Owner is considering declaring a Contractor Default and has requested and attempted to arrange a conference with the Contractor and the Surety to be held not later than fifteen days after receipt of such notice to discuss methods of performing the Contract. If the Owner, the Contractor and the Surety agree, the Contractor shall be allowed a reasonable time to perform the Contract, but such an agreement shall not waive the Owner's right, if any, subsequently to declare a Contractor Default and
 - 3.2 The Owner has declared a Contractor Default and formally terminated the Contractor's right to complete the contract. Such Contractor Default shall not be declared earlier than twenty days after the Contractor and the Surety have received notice as provided in Sub-paragraph 3.1; and
 - 3.3 The Owner has agreed to pay the Balance of the Contract Price to the Surety in accordance with the terms of the Contract or to a contractor selected to perform the Contract in accordance with the terms of the contract with the Owner.
4. When the Owner has satisfied the conditions of Paragraph 3, the Surety shall promptly and at the Surety's expense take one of the following actions:
 - 4.1 Arrange for the Contractor, with consent of the Owner, to perform and complete the Contract, or
 - 4.2 Undertake to perform and complete the Contract itself, through its agents or through independent contractors: or
 - 4.3 Obtain bids or negotiated proposals from qualified contractors acceptable to the Owner for a contract for performance and completion of the Contract, arrange for a contract to be prepared for execution by the Owner and the contractor selected with the Owner's concurrence, to be secured with performance and payment bonds executed by a qualified surety equivalent to the bonds issued on the Contract, and pay to the Owner the amount of damages as described in Paragraph 6 in excess of the Balance of the Contract Price incurred by the Owner resulting from the Contractor's default, or
 - 4.4 Waive its right to perform and complete, arrange for completion, or obtain a new contractor and with reasonable promptness under the circumstances:
 1. After investigation, determine the amount for which it may be liable to the Owner and as soon as practicable after the amount is determined tender payment therefore to the Owner; or
 2. Deny liability in whole or in part and notify the Owner citing reasons therefore.
5. If the Surety does not proceed as provided in Paragraph 4 with reasonable promptness, the Surety shall be deemed to be in default on this Bond fifteen days after receipt of an additional written notice from the Owner to the Surety demanding that the Surety perform its obligations under this Bond, and the Owner shall be entitled to enforce any remedy available to the Owner. If the Surety proceeds as provided in Subparagraph 4.4 and the Owner refuses payment tendered or the Surety has denied liability, in whole or in part, without further notice the Owner shall be entitled to enforce any remedy available to the Owner.
6. After the Owner has terminated the Contractor's right to complete the Contract, and if the Surety elects to act under Subparagraph 4.1, 4.2, or 4.3 above, then the responsibilities of the Surety to the Owner shall not be greater than those of the Contractor under the Contract, and the responsibilities of the Owner to the Surety shall not be greater than those of the Owner under the Contract. To the limit of the amount of this Bond, but subject to commitment by the Owner of the Balance of the Contract Price to mitigation of costs and damages on the Contract, the Surety is obligated without duplication for:
 - 6.1 The responsibilities of the Contractor for correction of defective work and completion of the Contract;
 - 6.2 Additional legal, design professional and delay costs resulting from the Contractor's Default, and resulting from the actions or failure to act of the Surety under Paragraph 4; and
 - 6.3 Liquidated damages, or if no liquidated damages are specified in the Contract, actual damages caused by delayed performance or non-performance of the Contractor.
7. The Surety shall not be liable to the Owner or others for obligations of the Contractor that are unrelated to the Contract, and the Balance of the Contract Price shall not be reduced or set off on account of any such unrelated obligations. No right of action shall accrue on this Bond to any person or entity other than the Owner or its heirs, executors, administrators, or successors.
8. The Surety hereby waives notice of any change, including changes of time, to the Contract or to related sub-contracts, purchase orders and other obligations.
9. Any proceeding, legal or equitable, under this Bond may be instituted in any court of competent jurisdiction in the location in which the work or part of the work is located and shall be instituted within two years after Contractor Default or within two years after the Contractor ceased working or within two years after the Surety refuses or fails to perform its obligations under this Bond, whichever occurs first. If the provisions of this Paragraph are void or prohibited by law, the minimum period of limitation available to sureties as a defense in the jurisdiction of the suit shall be applicable.
10. Notice to the Surety, the Owner or the Contractor shall be mailed or delivered to the address shown on the signature page.
11. When this Bond has been furnished to comply with a statutory or other legal requirement in the location where the contract was to be performed, any provision in this Bond conflicting with said statutory or legal requirement shall be deemed deleted herefrom and provisions conforming to such statutory or other legal requirement shall be deemed incorporated herein. The intent is that this Bond shall be construed as a statutory bond and not as a common law bond.
12. Definitions.
 - 12.1 Balance of the Contract Price: The total amount payable by the Owner to the Contractor under the Contract after all proper adjustments have been made, including allowance to the Contractor of any amounts received or to be received by the Owner in settlement of insurance or other claims for damages to which the Contractor is entitled, reduced by all valid and proper payments made to or on behalf of the Contractor under the Contract.
 - 12.2 Contract: The agreement between the Owner and the Contractor identified on the signature page, including all Contract Documents and changes thereto.
 - 12.3 Contractor Default: Failure of the Contractor, which has neither been remedied nor waived, to perform or otherwise to comply with the terms of the Contract.
 - 12.4 Owner Default: Failure of the Owner, which has neither been remedied nor waived, to pay the Contractor as required by the Contract or to perform and complete or comply with the other terms thereof.

NAS SURETY GROUP

NORTH AMERICAN SPECIALTY INSURANCE COMPANY
WASHINGTON INTERNATIONAL INSURANCE COMPANY

GENERAL POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, THAT North American Specialty Insurance Company, a corporation duly organized and existing under laws of the State of New Hampshire, and having its principal office in the City of Manchester, New Hampshire, and Washington International Insurance Company, a corporation organized and existing under the laws of the State of New Hampshire and having its principal office in the City of Schaumburg, Illinois, each does hereby make, constitute and appoint:

DAVID A. DOMINIANI, JOAN LEU,
MAURA P. KELLY and SHARON K. MURRAY

JOINTLY OR SEVERALLY

Its true and lawful Attorney(s)-in-Fact, to make, execute, seal and deliver, for and on its behalf and as its act and deed, bonds or other writings obligatory in the nature of a bond on behalf of each of said Companies, as surety, on contracts of suretyship as are or may be required or permitted by law, regulation, contract or otherwise, provided that no bond or undertaking or contract or suretyship executed under this authority shall exceed the amount of:

ONE HUNDRED MILLION (\$100,000,000.00) DOLLARS

This Power of Attorney is granted and is signed by facsimile under and by the authority of the following Resolutions adopted by the Boards of Directors of both North American Specialty Insurance Company and Washington International Insurance Company at meetings duly called and held on the 9th of May, 2012:

RESOLVED, that any two of the Presidents, any Managing Director, any Senior Vice President, any Vice President, any Assistant Vice President, the Secretary or any Assistant Secretary be, and each or any of them hereby is authorized to execute a Power of Attorney qualifying the attorney named in the given Power of Attorney to execute on behalf of the Company bonds, undertakings and all contracts of surety, and that each or any of them hereby is authorized to attest to the execution of any such Power of Attorney and to attach therein the seal of the Company; and it is

FURTHER RESOLVED, that the signature of such officers and the seal of the Company may be affixed to any such Power of Attorney or to any certificate relating thereto by facsimile, and any such Power of Attorney or certificate bearing such facsimile signatures or facsimile seal shall be binding upon the Company when so affixed and in the future with regard to any bond, undertaking or contract of surety to which it is attached.



By [Signature]
Steven P. Anderson, Senior Vice President of Washington International Insurance Company
& Senior Vice President of North American Specialty Insurance Company



By [Signature]
Michael A. Ito, Senior Vice President of Washington International Insurance Company
& Senior Vice President of North American Specialty Insurance Company

IN WITNESS WHEREOF, North American Specialty Insurance Company and Washington International Insurance Company have caused their official seals to be hereunto affixed, and these presents to be signed by their authorized officers this 3rd day of March, 2015.

North American Specialty Insurance Company
Washington International Insurance Company

State of Illinois
County of Cook ss:

On this 3rd day of March, 2015, before me, a Notary Public personally appeared Steven P. Anderson, Senior Vice President of Washington International Insurance Company and Senior Vice President of North American Specialty Insurance Company and Michael A. Ito, Senior Vice President of Washington International Insurance Company and Senior Vice President of North American Specialty Insurance Company, personally known to me, who being by me duly sworn, acknowledged that they signed the above Power of Attorney as officers of and acknowledged said instrument to be the voluntary act and deed of their respective companies.



[Signature]
M. Kenny, Notary Public

I, Jeffrey Goldberg, the duly elected Assistant Secretary of North American Specialty Insurance Company and Washington International Insurance Company, do hereby certify that the above and foregoing is a true and correct copy of a Power of Attorney given by said North American Specialty Insurance Company and Washington International Insurance Company, which is still in full force and effect.

IN WITNESS WHEREOF, I have set my hand and affixed the seals of the Companies this 1st day of June, 2016.

[Signature]
Jeffrey Goldberg, Vice President & Assistant Secretary of
Washington International Insurance Company & North American Specialty Insurance Company

Certified Statement Pursuant to Neb. Rev. Stat. § 77-1323

§ 77-1323 Every person, partnership, limited liability company, association, or corporation furnishing labor or material in the repair, alteration, improvement, erection, or construction of any public improvement shall furnish a certified statement to be attached to the contract that all equipment to be used on the project, except that acquired since the assessment date, has been assessed for taxation for the current year, giving the county where assessed.

Pursuant to Neb. Rev. Stat. § 77-1323, I, Dale Gubbels, do hereby certify that all equipment to be used on Recycling Processing Services, Bid No. 16-080, except that equipment acquired since the assessment date, has been assessed for taxation for the current year, in Douglas County, Nebraska.

DATED this 1 day of April, 2016.

By: Dale Gubbels

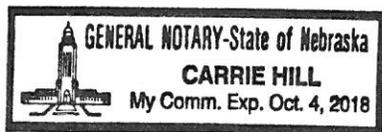
Title: President

STATE OF NEBRASKA)
COUNTY OF Douglas)ss.

On April 1, 2016, 2016, before me, the undersigned Notary Public duly commissioned for and qualified in said County, personally came Dale Gubbels, to me known to be the identical person, whose name is affixed to the foregoing instrument and acknowledged the execution thereof to be his voluntary act and deed.

Witness my hand and notarial seal the day and year last above written.

Carrie Hill
Notary Public
(SEAL)





CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
8/17/2015

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER The Harry A Koch Co PO Box 45279 Omaha NE 68145-0279	CONTACT NAME: PHONE (A/C, No, Ext): 402-861-7000 FAX (A/C, No): 402-861-7111 E-MAIL ADDRESS:																					
	<table border="1"> <thead> <tr> <th colspan="2">INSURER(S) AFFORDING COVERAGE</th> <th>NAIC #</th> </tr> </thead> <tbody> <tr> <td>INSURER A : New Hampshire Ins Company</td> <td></td> <td>23841</td> </tr> <tr> <td>INSURER B : National Union Fire Ins Co of Pitts</td> <td></td> <td>19445</td> </tr> <tr> <td>INSURER C :</td> <td></td> <td></td> </tr> <tr> <td>INSURER D :</td> <td></td> <td></td> </tr> <tr> <td>INSURER E :</td> <td></td> <td></td> </tr> <tr> <td>INSURER F :</td> <td></td> <td></td> </tr> </tbody> </table>		INSURER(S) AFFORDING COVERAGE		NAIC #	INSURER A : New Hampshire Ins Company		23841	INSURER B : National Union Fire Ins Co of Pitts		19445	INSURER C :			INSURER D :			INSURER E :			INSURER F :	
INSURER(S) AFFORDING COVERAGE		NAIC #																				
INSURER A : New Hampshire Ins Company		23841																				
INSURER B : National Union Fire Ins Co of Pitts		19445																				
INSURER C :																						
INSURER D :																						
INSURER E :																						
INSURER F :																						
INSURED Firstar Fiber Inc 10330 I St Omaha NE 68127																						

COVERAGES **CERTIFICATE NUMBER:** 1571599487 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> 5,000 GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC OTHER:			01LX0679895040	8/14/2015	8/14/2016	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$300,000 MED EXP (Any one person) \$10,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS - COMP/OP AGG \$2,000,000 \$
A	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input checked="" type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS			01CA0132283890	8/14/2015	8/14/2016	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
B	<input checked="" type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$ 10,000			29UD0166977520	8/14/2015	8/14/2016	EACH OCCURRENCE \$3,000,000 AGGREGATE \$3,000,000 \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below						PER STATUTE <input type="checkbox"/> OTH-ER <input type="checkbox"/> E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
CITY OF LINCOLN IS NAMED AS AN ADDITIONAL INSURED REGARDING GENERAL LIABILITY.

CERTIFICATE HOLDER City of Lincoln Purchasing Dept. 440 S 8th Suite 200 Lincoln NE 68508	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE
---	--

© 1988-2014 ACORD CORPORATION. All rights reserved.

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

Bid Information		Contact Information		Ship to Information
Bid Creator	Sharon Mulder Asst Purchasing Agent	Address	Purchasing\City & County	Address
Email	smulder@lincoln.ne.gov		440 S. 8th St.	Contact
Phone	(402) 441-7428		Lincoln, NE 68508	
Fax	(402) 441-6513	Contact	Sharon Mulder, Asst. Purchasing Agent	Department Building
Bid Number	16-080 Addendum 1			
Title	Recycling Processing Services	Department Building		Floor/Room Telephone
Bid Type	Bid			Fax
Issue Date	3/4/2016 03:39:45 PM (CT)	Floor/Room		Email
Close Date	3/25/2016 12:00:00 PM (CT)	Telephone	(402) 441-7428	
Need by Date		Fax	(402) 441-6513	
		Email	smulder@lincoln.ne.gov	

Supplier Information

Company First Star Recycling
 Address 10330 I Street, Suite 100

 Omaha, NE 68127
 Contact Dale Gubbels
 Department
 Building
 Floor/Room
 Telephone 1 (402) 894-0003 13
 Fax 1 (402) 8940018
 Email dgubbels@firststarfiber.com
 Submitted 3/25/2016 09:27:11 AM (CT)
 Total \$157,235.00

By submitting your response, you certify that you are authorized to represent and bind your company.

Signature Dale Gubbels

Email dgubbels@firststarfiber.com

Supplier Notes

Bid Notes

If you need assistance in preparing your bid, there are several options.

1) Click the the "Help" button in the upper right hand corner of any screen; 2) Contact our office for a training session in Purchasing or assistance over the phone; 3) View the PowerPoint presentation at <http://www.lincoln.ne.gov/city/finance/purch/spec/bidinst.ppt>

Bid Activities

Date	Name	Description
3/15/2016 02:30:00 PM (CT)	Pre-Bid Meeting	A pre-bid meeting will be held on Tuesday, March 15, 2016 at 2:30 p.m. located at the Wastewater Facility at 2400 Theresa Street, Lincoln in the Conference Room.

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	Specifications	I acknowledge reading and understanding the specifications.	Yes
4	Sample Contract	I acknowledge reading and understanding the sample contract.	Yes
5	Attachments	I acknowledge reading and understanding the Attachments to the bid.	Yes
6	Performance Bond	I acknowledge that a Performance Bond in the amount of \$15,000.00 will be required with the signed contract upon award of this job.	Yes
7	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
8	Special Provision Term Contract Provisions	I acknowledge reading and understanding the Special Provision Term Contract Provisions.	Yes
9	Renewal is an Option	Contract Extension Renewal is an option.	Yes
10	Term Clause with Escalation/De-Escalation	I acknowledge that the term of the contract will be a (4) four year term from the date of the executed contract with the option to renew for two (2) additional one (1) year terms upon mutual consent of both parties. (a) Bid prices firm for the first full contract period. YES or NO (b) Bid prices subject to escalation/de-escalation YES or NO (c) If (b), state period for which prices will remain firm: through _____	Processing charge for glass is firm through the first four years, subject to escalation thereafter.
11	References	I have attached my References to the Response Attachment section of this bid.	Yes
12	Contact	Name of person submitting this bid:	Dale Gubbels
13	Acceptable Mixed Materials	I have attached the list of acceptable materials that can be mixed with each recyclable commodity accepted at the City of Lincoln Recycling Drop-Off Sites in the Response Attachment section of my ebid.	Yes

14	Zoning and Permit Requirements	I acknowledge that our company meets all current requirements for permitting and zoning for a recycling processing facility and can furnish the City with copies of permits upon request.	Yes
15	Policy for Rejecting Recyclable Loads	I have attached our company's policy for rejecting recyclable loads deposited at our facility, as requested in the specifications.	Yes
16	Negative Net "Per Ton" Payment	I acknowledge reading and accepting the terms under section 7.4 which states that "In the event the formula results in a negative net "per ton" payment to the City for a particular commodity the City shall receive no revenue and shall not be charged a processing fee by the Vendor."	Yes
17	Bid award	I acknowledge and understand that the City, County and/or Public Building Commission reserves the right to award bids item-by-item, with or without alternates/options, by groups, or "lump sum" such as shall best serve the requirements and interests of the City, County and/or Public Building Commission. If your pricing is based on an all-or-nothing basis, please indicate so in the Supplier Notes section of your E-Bid response.	Yes
18	Electronic Signature	Please check here for your electronic signature.	Yes
19	Agreement to Addendum No. 1	Respondent hereby certifies that the change set forth in this addendum has been incorporated in their proposal and is part of their bid. Reason: See Bid Attachments section for Addendum information.	Yes

Line Items

#	Qty	UOM	Description	Response
1	1	PKG	Processing Non-Fiber Materials Recieved from the City Recycling Drop-Off Program.	\$52,785.00

Item Notes:

Supplier Notes:

Package Line Items:

#	Qty	UOM	Description	Response
1.1	50	Tons	Aluminum Cans (High Side Current Price, Loose ¢/lb., dropped off Index Price)	0.00

Item Notes: BID PRICE PER TON ONLY

Supplier Notes:

1.2	100	Tons	Steel (tin) Cans (High Side Current Price Sorted Loose, \$/ton dropped off)	0.00
-----	-----	------	---	------

Item Notes: BID PRICE PER TON ONLY

Supplier Notes:

1.3	330	Tons	Clear (Flint) Glass (High Side \$/Ton Delivered, Index Price)	62.00
-----	-----	------	---	-------

Item Notes: BID PRICE PER TON ONLY

Supplier Notes:

1.4	260	Tons	Brown (Amber) Glass (High Side, \$/Ton Delivered, Index Price)	60.00
-----	-----	------	--	-------

Item Notes: BID PRICE PER TON ONLY

Supplier Notes:

1.5	180	Tons	Green Glass (High Side, \$/Ton, Delivered, Index Price)	45.00
-----	-----	------	---	-------

Item Notes: BID PRICE PER TON ONLY

Supplier Notes:

1.6	345	Tons	#1 Through #5 Mixed Plastics (High Side Comingled #1-#7, ¢/lb., Baled Picked-Up Index Price)	25.00
-----	-----	------	--	-------

Item Notes: BID PRICE PER TON ONLY

Supplier Notes:

2	1	PKG	Processing Fiber Materials Recieved from the City Recycling Drop-Off Program.	\$69,200.00
---	---	-----	---	-------------

Item Notes:

Supplier Notes:

Package Line Items:

#	Qty	UOM	Description	Response
2.1	1,310	Tons	#8 ONP Newspaper (OMB High Side Index Price)	20.00

Item Notes: BID PRICE PER TON ONLY

Supplier
Notes:

2.2	1,250	Tons	Mixed Paper (2) (OMB High Side Index Price)	20.00
-----	-------	------	---	-------

Item Notes: BID PRICE PER TON ONLY

Supplier
Notes:

2.3	1,200	Tons	Old Corrugated Cardboard (OCC) (11) (OMB High Side Index Price)	15.00
-----	-------	------	---	-------

Item Notes: BID PRICE PER TON ONLY

Supplier
Notes:

3	1	PKG	OPTIONAL: Processing Aluminum and Steel Cans Mixed Together and #1-#7 Plastic and Mixed Colored Glass	\$35,250.00
---	---	-----	---	-------------

Item Notes:

Supplier Notes:

Package Line Items:

#	Qty	UOM	Description	Response
3.1	150	Tons	Optional Bid Item with Aluminum & Steel Cans Mixed Together (Aluminum Cans Ave. Loose ϕ /lb., Dropped off Index Price)	0.00

Item Notes: BID PRICE PER TON ONLY

Supplier
Notes:

3.2	400	Tons	Optional Bid Item with #1 Through #7 Plastics Mixed Together (Plastics Comingled #1-#7, Baled, ϕ /lb., Picked-Up Index Price)	30.00
-----	-----	------	--	-------

Item Notes: BID PRICE PER TON ONLY

Supplier
Notes:

3.3	775	Tons	Optional: Colored Glass mixed together, 3 Mix (\$/ton delivered as Recyclable or Disposable) (Higher side Index Price)	
-----	-----	------	--	--

Item Notes: BID PRICE PER TON ONLY

Supplier
Notes:

3.4	775	Tons	Optional: Colored Glass mixed together, not tied to any index and instead use fixed per ton cost to process	30.00
-----	-----	------	---	-------

Item Notes: BID PRICE PER TON ONLY

Supplier
Notes:

Response Total:	\$157,235.00
-----------------	--------------

Process for rejecting and downgrading contaminated loads

Contamination of 10% or more will result in \$25 sorting fee per load. Loads containing more than 20% contamination will result in load rejection.

In the event a load is received on Firststar Fiber's production floor that does not meet the expectations set forth by the city and Firststar Fiber, the operation manager or team leader will evaluate the load to determine what caused the contamination.

Steps that will be taken include:

- 1) Capture 3 digital photos
- 2) Document where the load came from, drop site or route
- 3) Record name of the driver, delivery company and vehicle number
- 4) Evaluate how the load was contaminated (either at the site or by the hauler)
- 5) Communicate with the hauling company about the problem
- 6) Contact the city by fax, email or phone to notify them of the issue
- 7) If the load is not too contaminated a plan will be put in place to handle the problem
- 8) If the load is too contaminated Firststar Fiber will follow the recommendations set by the city to handle the contamination.

**SPECIFICATION FOR
RECYCLING PROCESSING SERVICES FOR MATERIAL COLLECTED
THROUGH THE RECYCLING DROP-OFF PROGRAM
BID NO. 16-080**

1. GENERAL

- 1.1 It is the intent of the City of Lincoln that one Vendor provide all the necessary land, buildings, labor, equipment, materials and supplies to establish, operate and maintain an intermediate processing facility to sort, shred, bale and/or densify or other such activity as may be required to secure and maintain markets for recyclable material received at the recycling drop-off sites in Lincoln and Lancaster County and to market said material to end users.
 - 1.1.1 The City currently operates 2 newspaper only sites and 20 multi-material sites in the City and 8 multi-material sites in the County.
 - 1.1.1.1 In the summer of 2016 a new multi-material recycling site will be added in the village of Roca bringing the total of recycling sites in the county to 9.
 - 1.1.2 Marketing decisions for the recyclable material are at the discretion of the Vendor.
 - 1.1.3 The material recovery facility shall be located within the corporate limits of the City of Lincoln.
- 1.2 During the term of the agreement all sorting, processing and marketing services for recyclables deposited at the recycling drop-off sites will be provided to the processing Vendor and who shall share revenue from the sale of recyclables.
- 1.3 A pre-bid meeting has been scheduled for March 15, 2016 beginning at 2:30 p.m. at the Theresa Street Wastewater Facility Conference Room, 2400 Theresa Street, Lincoln, Nebraska.
- 1.4 Vendor shall submit bid documents and all requested information via e-bid.
- 1.4 All inquiries regarding these specifications shall be directed to Sharon Mulder, Assistant Purchasing Agent, via e-mail request to (smulder@lincoln.ne.gov) or faxed request to (402) 441-6513.
 - 1.4.1 These inquiries and/or responses shall be distributed to prospective vendors electronically as an addenda.
 - 1.4.2 No direct contact is allowed between vendor and other City staff throughout the bid process.
 - 1.4.3 Failure to comply with this directive may result in vendor's bid being rejected.
- 1.5 The Vendor shall not commence work under this agreement until he/she has obtained all insurance required in the attached "Insurance Clause" to be used for all City Contracts," and such insurance has been approved by the City Attorney.
- 1.6 The City estimates that the award notification to the vendor will be May 2016.
- 1.7 In FY 2014-2015 the City received approximately 4,879 tons of recyclables through the recycling drop-off program, see "**Attachment 1**" for a summary of recyclables collected per recycling site by month and material type.
 - 1.7.1 The recyclables will be deposited by the general public from the City and County and the sites are unstaffed. Accordingly, there may be contaminants mixed with the recyclables.
- 1.8 The quantities stated in the bid documents are for estimating purposes only, the

City does not guarantee that these quantities will not increase or decrease depending on various conditions.

- 1.9 During the term of the contract the City will be implementing recommendations of a recycling work group to increase participation in Lincoln's residential and commercial recycling. This could impact the participation and amount of material recycled at the recycling drop-off sites in the City and County.
 - 1.9.1 It is anticipated that any changes from implementing new recycling initiatives that might occur related to the drop-off program would likely occur toward the end of the first year of the contract.
- 1.10 The successful processing Vendor shall be responsible for the sorting and grading of approximately 12 to 20 tons per day of recyclable material collected at the City's recycling drop-off sites 362 days of the year.
 - 1.10.1 There is no guarantee on the amount of recyclables delivered to the Processing Vendor during the term of the contract.
 - 1.10.2 Authorized holidays are Christmas Day, Thanksgiving Day, and New Year's Day.
- 1.11 The recycling processing facility shall be located within the City of Lincoln.
 - 1.11.1 Facility may be an enclosed transfer station in which material is unloaded from City Vendor's recycling collection vehicles and then loaded into another vehicle and transported to another location for processing.
- 1.12 Vendor to submit all requested documents in the Response Attachment section of the e-bid.
- 1.13 The provisions herein, the instructions to bidders, and the attached sample contract describe the scope of work to provide recycling containers, maintain equipment, remove waste and recyclable materials from the drop-off sites in a timely manner, and transport the recyclables to a local processor designated by the City.
- 1.14 The City estimates that the award notification to the vendor will be around March 31, 2016.

2. RECYCLING MATERIAL RECEIVED AND DAYS OF OPERATIONS

- 2.1 Material collected and delivered to the processing Vendor at the City operated multi-material recycling drop-off sites shall include:
 - 2.1.1 Aluminum cans
 - 2.1.2 Tin cans
 - 2.1.3 Plastic bottles and containers #1-#5 (co-mingled)
 - 2.1.4 Clear glass
 - 2.1.5 Brown glass
 - 2.1.6 Green glass
 - 2.1.7 Newspapers
 - 2.1.8 Corrugated cardboard; and
 - 2.1.9 Residential mixed paper
- 2.2 The Vendor shall work with the City to ensure that educational materials on what materials are acceptable vs. not acceptable at the recycling drop-off sites and that they are compatible with processing Vendor's quality standards by completing the Acceptable Materials Worksheet in "**Attachment 2**" and submitting it with your bid.

- 2.3 An optional bid to process mixed plastics (#1- #7) that are collected in the plastics compartment of a roll-off box may be submitted.
- 2.4 An optional bid to process mixed colored glass in which the colored glass would be mixed by the public in the same compartment(s).
- 2.5 All other recyclable items shall have a separate compartment or container.
 - 2.5.1 An optional bid to process aluminum cans and tin cans that are mixed together in the same compartment of a roll-off box may be submitted.
- 2.6 As consistent and economically viable markets develop for additional recyclable materials that are compatible with the collection method and sorting process, additional recyclables may be added for collection at the recycling drop-off sites **through a contract amendment that must be executed by all parties 30 days prior to the amendment taking effect.**
- 2.7 The Vendor shall submit in the Response Attachment section of the e-bid their policy for instituting any special handling/sorting fees or rejection for contamination or wet loads by commodity that would be received through the City's recycling drop-off program.
 - 2.7.1 Attachment shall also outline in detail the documentation provided by the vendor to document any special handling/sorting fee or material rejection.
- 2.8 The Vendor shall provide the City or its collection Vendor with access to its facility to unload recyclables on a daily basis between the hours of 6:00 a.m. to 5:00 p.m., with the exception of authorized holidays.

3. CONTRACT TERM

- 3.1 Upon contract execution by both parties, the contract shall be in effect for a period of four (4) years with the option to renew for two (2) additional one (1) year periods.

4. AWARD OF BID

- 4.1 The City will award based on vendor's responsiveness, experience, cost and satisfactory information obtained through reference checks.
 - 4.1.1 The bidder shall submit references for their company and any subcontractors in the Response Attachment section of the e-bid which includes a minimum of the following:
 - 4.1.1.1 Number of years of experience in similar type of work.
 - 4.1.1.2 Two references with contact information for communities or businesses in which the vendor provides comparable processing services to the services that would be performed for the City.

5. VENDOR RESPONSIBILITIES

- 5.1 Vendor shall be responsible for each the following and shall include all associated costs for these activities in their processing fees:
 - 5.1.1 Providing easy access and timely unloading of collection vehicles.
 - 5.1.2 Providing scale or scale access to weigh incoming loads of material.
 - 5.1.3 Ensuring compliance with all current local, state, and federal requirements regarding zoning, health, safety or environmental regulations on the processing and transportation of recyclables.

- 5.1.4 Ensuring that any recyclable material received from other sources are not mixed with material from the City sponsored drop off program until the material is weighed and recorded for billing/payment purposes.
- 5.1.5 Developing processes and procedures to ensure that no recyclables from the recycling drop-off program are deposited in the sanitary landfill without prior approval by the City of Lincoln.
- 5.1.6 Ensuring that any waste sorted from the recyclables are properly transported and disposed of at the Bluff Road Landfill, 6101 Bluff Road.
- 5.1.7 Cost of disposing of the waste shall be at the expense of the processing Vendor.
- 5.1.8 Processing newspaper, cardboard, residential mixed paper within 3 days of receiving the material.
- 5.1.9 Processing plastic and glass containers, aluminum and tin cans within 7 days of arriving at the Vendor's facility.
- 5.1.10 Maintaining its facility in a manner to minimize any litter leaving processing facility.
- 5.1.11 Providing efficient unloading service to the City Collection Vendor(s) to minimize unloading delays and maximize safety.
- 5.1.12 Notifying the City recycling representative, by phone, e-mail or fax (402) 441-8735 of an equipment breakdown or a facility failure in which they cannot receive recyclables from the recycling drop-off program.
- 5.1.13 Making alternative arrangements to redirect material to another processing facility in Lincoln during the facility failure.
- 5.1.14 Reimbursement to the City for any and all out of pocket expense incurred by the City of Lincoln in redirecting recyclables related to equipment or facility failure.
- 5.2 Operating the processing facility in a manner that follows the best management practices for material recovery facilities.
 - 5.2.1 This includes all necessary worker safety policies and procedures are in place and employees are following said policies and procedures.

6. CITY'S RESPONSIBILITIES

- 6.1 The City is responsible for the following:
 - 6.1.1 Scheduling regular meetings with the Vendor to discuss issues associated with the recycling drop-off contract.
 - 6.1.1.1 At the request of the Vendor, a joint meeting with the Collection Vendor to discuss common issues associated with the recycling drop-off program may be established.
 - 6.1.2 Educating the public on proper separation of recyclable materials for the drop-off program.
 - 6.1.3 Providing signs at each of the recycling drop-off sites on what is acceptable and not acceptable to deposit at the site.

7. CALCULATING SHARED REVENUE WITH THE CITY

- 7.1 The net payment for the shared revenue with the City shall be based on a monthly adjusted index price from the following two separate publications that report the prices for recyclable commodities.

- 7.1.1 "Official Board Markets" (The Yellow Sheet) which contains index pricing for fiber materials (newspapers, cardboard and mixed paper).
 - 7.1.1.1 The on-line version can be obtained from the "packaging-online.com" website.
 - 7.1.1.2 Annual subscription cost to access this publication is \$450 per year.
 - 7.1.1.3 All index prices are reported on a "Per Ton" basis.
- 7.1.2 "Waste News," "Secondary Materials Pricing.Com" web-site which contains the index prices for non-fiber materials (aluminum cans, steel cans, clear glass, green glass, brown glass, and plastic #1 - #5 containers).
 - 7.1.2.1 Annual subscription cost to access "Secondary Materials Pricing .com" is \$325 per year.
 - 7.1.2.2 Index prices are reported either in a "Per Ton" or "Per Pound" basis so the Vendor must convert those based on a "Per Pound" basis to "Per Ton."
- 7.2 The above index price publications have two issues per month and for purposes of calculating the net payment for shared revenue with the City the first issue of each month shall be used for the monthly index price for each commodity.
- 7.3 To calculate the net payment for shared revenue with the City, Vendors shall use the high side of the current Chicago index price for respective commodities and subtract the line item "Per Ton" Processing Fee (see section 8 LINE ITEM PROCESSING FEES) to arrive at the Net "Per Ton" payment due to the City.
 - 7.3.1. The Net "Per Ton" payment to the City for each commodity is then multiplied by the total tons for each commodity received by the Vendor from the City for each month.
 - 7.3.2 All the commodities are added together to arrive at the total net payment for shared revenue due the City for each month.

8. LINE ITEM PROCESSING FEES

- 8.1 The Vendor shall submit pricing in the e-bid line items per commodity for their Processing Fee.
 - 8.1.1 Each line item pricing for the Processing Fee must be entered as a "Per Ton" price which includes ALL associated costs to meet the required specifications stated herein.
 - 8.1.2 The "Per Ton" Processing Fees shall remain constant for respective commodities throughout the term of the contract.
 - 8.1.3 The line item Processing Fee "Per Ton" price for each commodity shall be used in a formula to calculate the net payment for shared revenue with the City.
 - 8.1.4 The Vendor may submit a "negative" processing fee. This would mean that the figure would be added to the monthly index price for that commodity.
- 8.2 For determining the commodity "Per Ton" Processing Fee the Vendor should take into account the information outlined in Section 7. **CALCULATING SHARED REVENUE WITH THE CITY**
- 8.3 In the event that the processing fee exceeds the index price for a month the City will owe the Vendor a "Per Ton" net processing fee.

- 8.3.1 For recycled commodities in which the “Per Ton” processing fee exceeds “Per Ton” revenue on a consistent basis, the Vendor may submit a flat “Per Ton” processing fee and ignore the price index as an alternate bid.
- 8.3.2 In the event that commodity prices fall to the point where the City must pay a processing fee, the City will have a maximum “Per Ton” processing fee equal to one-half (50%) of the “Per Ton” processing fee on the bid form.
- 8.3 In determining the line-item processing fee the Vendor shall utilize the first issues of January, 2016 published pricing for the two publications.
 - 8.3.1 The fiber materials (newspaper, residential mixed paper and old corrugated cardboard) commodity price indices published on January 6, 2016 in the "Pulp and Paper Index" (Yellow Sheet) are highlighted in the Mixed Paper, News and OCC commodity price index for the Transacted paper stock prices in "**Attachment 3**".
 - 8.3.2 The non-fiber materials (aluminum cans, steel cans, clear glass, green glass, brown glass, and plastic #1 - #5 containers) commodity price indices published on January 4, 2016 in the "Waste News," "Secondary Materials Pricing.Com" web-site are highlighted in the Grade and Description commodity price index in "**Attachment 4**".

9. **INVOICING AND BASIS FOR PAYMENT**

- 9.1 The Vendor shall provide the City’s Collection Vendor and the City with a weight ticket for each load of recyclables delivered to the Vendor and shall include the following information:
 - 9.1.1 Date;
 - 9.1.2 Type of Recyclable Material received;
 - 9.1.3 Recycling Drop-off site locations (2); and
 - 9.1.4 Total Weight of Material
 - 9.1.5 The weight ticket for the City may be a photocopy or electronic file of the weight ticket.
- 9.3 The Vendor shall provide a photocopy of the index pricing from each publication listed above with its monthly invoice to the City.
- 9.4 The Vendor shall provide a monthly invoice to the City, within 30 days following the completion of the month, indicating the amount of recyclables by commodity type collected at each recycling site and the amount of revenue generated per material site.
- 9.5 Payment for the recyclables delivered to the intermediate processing facility during the preceding month will accompany the monthly invoice.
- 9.6 Payments not received within 30 days are considered past due and shall have a 1% late fee added to the past due amount of the invoice.
- 9.7 The processing Vendor shall work with the City and its collection Vendor to weigh the roll-off containers for food and beverage at the City’s request in April and November each year for the purpose of developing a formula to allocate the amount of recyclables by commodity type for each container taken to the Vendor.
- 9.8 The Vendor shall maintain daily, weekly and monthly logs on the weight of material received and the drop-off location the material was received from.
- 9.9 The Vendor shall complete and submit a monthly Excel spreadsheet to the City within 10 days after the end of each month to show the amount of materials

received from the recycling drop-off program.

9.9.1 The City will provide the Vendor with the electronic master spreadsheet. A photocopy of the commodity spreadsheets is in “Attachment 5”.

10. COMPLIANCE AND REGULATIONS

- 10.1 The Vendor is responsible for securing all current local, State and Federal permits for operating a material recovery facility.
- 10.2 The Vendor must comply with all current local, state and federal regulations regarding the handling, processing, storing and shipping recyclables and operation of a material recovery facility.
 - 10.2.1 This includes all OSHA regulations regarding worker safety and requirements for personal protective equipment.

11. VENDOR PERFORMANCE, PENALTIES AND DAMAGES

- 11.1 The following acts or omissions are considered unsatisfactory vendor performance of the contract for which damages may be assessed against payment due the Vendor or added to payments due the City of Lincoln.
 - 11.1.1 Failure to clean up litter or debris from the exterior of the facility within twenty-four (24) hours of a notice of violation from the City of Lincoln and Lancaster County Health Department will result in the Vendor being charged \$75.00 per each incident.
 - 11.1.2 Failure to begin full operation of the processing facility by June 1, 2016 will result in the Vendor being charged \$600.00 per day or portion thereof.
 - 11.1.3 Equipment failures which do not allow the processor to sort and process recyclables delivered to their facility as identified in item 5.1.8 and 5.1.9 above is determined to be a breach of contract and lead to termination of the contract.

12. PERFORMANCE BOND

- 12.1 As further security for the performance of this contract and in order to assure the City of Lincoln's continued operation of the City's Recycling Program, the Vendor shall supply within fifteen (15) days of notice of award of the contract a "Contract and a Performance Bond" written on a minimum of an annual basis, on forms required by the City of Lincoln, in an amount of not less than \$15,000.00.
 - 12.1.1 Such Performance Bond to be used as security for the performance of the contract.
 - 12.1.2 Such Performance Bond shall be maintained for the entire term of this contract and/or renewals.
 - 12.1.3 The surety on the "Contract and the Performance Bond" shall be a duly authorized surety company, licensed to do business in the State of Nebraska, satisfactory to the City of Lincoln.

**SPECIAL PROVISIONS
FOR
TERM CONTRACTS**

**PURCHASING DEPARTMENT
CITY OF LINCOLN/LANCASTER COUNTY, NEBRASKA**

1. ESTIMATED QUANTITIES

- 1.1 The quantities set forth in the line items and specification document are approximate and represent the estimated requirements for the contract period.
- 1.2 Items listed may or may not be an inclusive requirements for this category.
- 1.3 Category items not listed, but distributed by bidder are to be referred to as kindred items. Kindred items shall receive the same percentage of discount or pricing structure as items listed in the specification document.
- 1.4 The unit prices and the extended total prices shall be used as a basis for the evaluation of bids. The actual quantity of materials necessary may be more or less than the estimates listed in the specification document, but the City/County shall be neither obligated nor limited to any specified amount. If possible, the Owners will restrict increases/decreases to 20% of the estimated quantities listed in the specification document.

2. CONTRACT PERIOD

- 2.1 The material shall be delivered as ordered during the contract period, beginning from the date of contract execution and ending as indicated in the specifications or in the Attribute Section of the bid.
- 2.2 Bidder must indicate in the Bid, if extension renewals are an option.
- 2.3 By mutual consent of both parties it is understood and agreed that the contract may be renewed at the same prices and/or under the same conditions governing the original contract.

3. BID PRICES

- 3.1 Bidders must state in the Attribute Section if the bid prices will remain firm for the full contract period; or if the bid prices will be subject to escalation/de-escalation.
- 3.2 Escalation/De-escalation Clause: In the event that prevailing market conditions warrant an adjustment in bid prices contained in the contract, the following escalation/de-escalation clause shall be the only clause applicable or acceptable:
 1. Contractor shall give written notice to the Purchasing Agent of any proposed changes from contract prices not less than thirty (30) calendar days prior to the effective date of said price changes.
 2. Such notice must be accompanied by a certified copy of the supplier's advisory or notification to the contractor of price changes.
 3. No price escalation will be authorized in excess of the amount of the increase referred to on the supplier's notice.
 4. Purchasing shall issue a contract Addendum with revised pricing upon receipt and approval. The Addendum will be executed by both parties for the remaining term of the contract.
 5. The approved price change shall be honored for all orders received by the contractor after the effective date of such price change.
 6. Approved price changes are not applicable to orders already issued and in process at time of price change.

7. Purchasing reserves the right to audit and/or examine any pertinent books, documents, papers, records or invoices relating directly to the contract transaction in question after reasonable notice and during normal business hours.

8. The Purchasing Agent retains the right to determine whether or not such proposed price changes are in the best interests of the City/County.

9. If in the opinion of the Purchasing Agent any proposed increase is found unacceptable, the Purchasing Agent reserves the right to cancel the contract upon thirty (30) calendar days written notice.

10. Contractors must tie any price change clause to an industry-wide or otherwise nationally recognized index, or some other form of verifiable document. Contractor will put the Purchasing Agent on the mailing lists for such publication so that the Purchasing Agent can monitor said changes. Such membership will be no cost to the Owners.

4. CONTRACT ADMINISTRATION

- 4.1 The Purchasing Division will issue a Contract to all successful bidders. Such contract will incorporate the specifications and all other forms used during the bid process.
- 4.2 Orders for materials will be made as needed by the various Agencies following execution by all parties.
- 4.3 Contractor may be asked to assist the Purchasing Agent with the development of a list of repetitively purchased commodities, to periodically update such list, and to assist in the development of a list of suitable substitutions.
- 4.4 Contractor shall provide technical advice upon request, and assist in the evaluation of new products.
- 4.5 Contractor shall monitor orders to ensure the highest possible fill rate and minimize back-orders.

5. QUARTERLY REPORT

- 5.1 Upon request, the contractor shall provide to the Purchasing Agent a quarterly report, showing all purchases made under the terms and conditions of the contract.
- 5.2 Such quarterly report shall itemize the following information:
 1. Each ordering department.
 2. Items and quantities purchased by department.
 3. Total dollar amount of purchases by department.