

NAT26001-FOODWASTE
Questions and Answers

A. Section: Appendix B – Scope of Work and Technical Requirements, Page: 40, Passage: “This pilot project can be funded through September 30, 2029.”

Questions:

- 1. What is the total funding allocated or anticipated for the pilot?**

\$450,000

- 2. Is there a maximum contract value or annual funding ceiling?**

The maximum value of the contract is \$450,000.

- 3. Is any minimum contract value or funding amount guaranteed to the awarded contractor?**

No, there is not a funding amount guaranteed to contractor until collection service begins.

- 4. Is the available funding intended solely to subsidize participant subscriptions, or may it also pay for approved implementation activities included in the contractor’s proposal?**

Funding is intended to subsidize subscriptions. The contractor should factor all costs into the subscription fee.

B. Section: Appendix B – Scope of Work and Technical Requirements, Page: 40, Passage: “These funds would be used to offset a portion of the subscription cost for the participants for the duration of the pilot project. The participants must still pay a portion of the subscription cost during the pilot.”

Questions:

- 1. Will DNREC establish the amount or percentage it will contribute toward each participant’s subscription, or should the vendor propose the division between the DNREC-funded and participant-paid portions?**

The vendor should propose the portion paid by DNREC and portion paid by subscriber. DNREC would pay the majority of the subscription fee to incentivize subscribers.

2. Will DNREC's contribution remain consistent throughout the pilot?

A change in the number of subscribers can affect DNREC's monthly invoice; however, the subscription pricing should be the same as reflected in the proposal.

3. May the subsidy amount vary based on enrollment, service frequency, or available funding?

The subsidy amount should remain consistent, unless the contractor proposes more than one service frequency. The subsidy amount difference per service frequency should be stated in the proposal.

C. Section: Appendix B – Scope of Work and Technical Requirements, Page: 40, Passage: "The contractor would send an invoice for those monthly subscription costs."

Questions:

1. Will the contractor invoice DNREC for DNREC's subsidized portion and invoice participants separately for their portion?

The contractor will need a system to bill or take payments from subscribers and invoice DNREC.

2. Will DNREC make its payment directly to the contractor?

Yes, payment will be to the contractor.

3. How should delinquent or unpaid participant accounts be handled?

Contractor is responsible for contacting subscribers if service will be or has been halted due to lack of payment or other payment issues.

Contractor is responsible for collection of pass due accounts of subscribers.

4. Will a participant's failure to pay affect DNREC's payment of its portion for services already performed?

No. If the subscriber's wasted food was transported to landfill, then DNREC will pay the subsidized portion.

5. What supporting documentation will be required with the contractor's monthly invoices?

Number of households that were collected from each week and the weight of food waste collected and transported to the compost facility.

D. Section: Appendix B – Scope of Work and Technical Requirements, Page: 40, Passage: “The contractor will coordinate all aspects of the curbside food waste collection service from planning to implementation.”

Section: V.G.14 – Costs and Payment Schedules, Pages: 18–19, Passage: “The State of Delaware will require a payment schedule based on defined and measurable milestones. Payments for services will not be made in advance of work performed.”

Questions:

1. May vendors include separate one-time pricing for completed planning and implementation activities within the cost proposal?

Planning and implementation activities should be included in the subscription costs.

2. Will completed implementation activities qualify as payable milestones before regular collection service begins?

No. Collection of wasted food initiates payment to contractor.

3. Should vendors propose their own measurable payment milestones, or will DNREC establish the milestones during contract negotiations?

The payable milestone is the collection and transport of waste food to compost facility.

4. Does DNREC anticipate applying the potential holdback of up to 25% to this pilot? If so, what performance milestone would trigger the release of withheld funds?

No, invoice for payments begins when curbside collection starts.

E. Section: V.C.1 – General Information, Page: 12, Passage: “The term of the contract between the successful bidder and the State shall be for 3 years

with 2 optional extensions for a period of one (1) year for each extension.”

Section: Appendix B – Scope of Work and Technical Requirements, Page: 40, Passage: “This pilot project can be funded through September 30, 2029.”

Questions:

1. **What is the anticipated effective date of the initial three-year contract?**

The anticipated effective date will be negotiated with the selected vendor at the time of award.

2. **How does the initial three-year contract term align with the September 30, 2029 pilot-funding end date?**

This is the last date for collection and transportation, if funding is still available.

3. **Is funding anticipated to remain available for the full initial contract term?**

Funding will be available until the maximum budget is reached.

4. **Would the two optional one-year extensions depend upon DNREC obtaining additional funding?**

Yes

**F. Section: Appendix B – Scope of Work and Technical Requirements
Pages: 40–41**

Questions:

1. **Does DNREC have a target or estimated number of households for the pilot?** No.

2. **Is there a minimum or maximum number of participants the contractor will be expected to serve?** No

3. **Does DNREC have a target amount of food waste it expects the pilot to collect?**

No. In the Delaware Solid Waste Authority, Statewide Waste Characterization Study CY 2025, on page ES 3, it states that residential food waste was roughly 210 pounds/capita/year. Using numbers in the DSWA report, it can be estimated that each person generates 7.0 pounds of food waste per week.

4. Will any minimum number of participants or service volume be guaranteed?

There is not a guarantee for number of participants or volume.

5. May vendors present pricing scenarios based on different enrollment levels while establishing their own per-participant pricing? Yes.

G. Section: V.G.8(d) – Insurance, Page: 17, Passage: “The successful vendor must carry at least one of the following depending on the scope of work being performed.”

Question:

1. Which additional coverage applies to this scope of work: Medical/Professional Liability, Miscellaneous Errors and Omissions, or Product Liability?

The minimal insurance requirements for this project are listed within the RFP. Exemptions will be evaluated as described below.

2. Will bidders who request exemptions to the insurance requirements be considered?

Any exemptions to the insurance requirements will be evaluated by the Delaware Department of Justice and Insurance Coverage Administrator with the Department of Human Resources Insurance Coverage Office.

3. Are bidders permitted to define the Delaware service area as they choose, or must it follow a specific way (by county or municipality, etc)?

Bidders can cross municipality and county borders as long as the subscriber is a State of Delaware household.

4. Is there a limit on the number of customers who can sign up during the pilot phase? No.
5. What is the overall maximum budget for the pilot program? \$450,000

H. Appendix B – Scope of Work and Technical Requirements, Paragraph 5 (collection frequency), Page: 40, Text of passage being questioned: *“The contractor would provide weekly pick up service for subscribers and deliver food waste to a permitted compost facility... At a minimum, the contractor will provide collection no less than once per two-week period.”*

Question:

1. These two sentences appear to conflict. Is weekly collection a requirement of the contract, or is every-other-week collection acceptable provided it meets the stated two-week minimum?
Collection frequency is the single largest cost driver in the pricing structure. The contract can propose two levels of service: weekly and bi-weekly.

I. Appendix B – Scope of Work and Technical Requirements, Paragraph 4 (subsidy and invoicing), Page: 40, Text of passage being questioned: *“These funds would be used to offset a portion of the subscription cost for the participants for the duration of the pilot project. The participants must still pay a portion of the subscription cost during the pilot. The contractor would send an invoice for those monthly subscription costs.”*

Question:

1. Please clarify the billing mechanism. (a) Does the contractor invoice DNREC for the subsidized portion and the participant for the remaining portion?
Yes. The contractor will need a system to bill or take payments from subscribers and invoice DNREC for the subsidized portion.
2. Is the subsidy a fixed dollar amount per participant per month, a fixed percentage, or a figure the vendor proposes? (c) If the vendor proposes it, is there a maximum per-participant subsidy the State will consider?

Fixed dollar amount per subscriber based on the dollar amount provided in proposal.

- J. Appendix B – Scope of Work and Technical Requirements, Paragraph 2 (funding period), Page: 40, Text of passage being questioned: *“This pilot project can be funded through September 30, 2029.”***

Question:

What is the total dollar amount available for this pilot project, and is there a maximum annual obligation?

\$450,000 is the amount available over a 3-year pilot project period.

- K. Appendix B – Scope of Work and Technical Requirements, Paragraph 2 (pilot objectives), Page: 40, Text of passage being questioned: *“The intent of this pilot program is to show proof of concept including public interest in the service and infrastructure capable of servicing the amount of food waste.”***

Question:

- 1. Does DNREC have a target or minimum number of participants, or a target tonnage, that would constitute a successful proof of concept?**

No, DNREC is not requiring tonnage or subscriber number targets.

- 2. Does the State have a preferred geographic distribution among New Castle, Kent and Sussex Counties, or will a proposal concentrated in one county be evaluated equally against a statewide proposal?**

The proposal must address the geographic area that it is targeting; however, it will not be evaluated differently based on size and location of targeted region.

- L. Appendix B – Scope of Work and Technical Requirements, Paragraph 1 (disposition of collected material), Page: 40, Text of passage being questioned: *“...collecting and transporting food waste to a permitted or licensed facility able to accept residential compostable food waste.”***

Question:

- 1. Mother Nurture Composting is in the process of getting a composting permit. If for some reason that does not happen, may the receiving**

facility be located outside Delaware, provided it is permitted or licensed in its home state?

Yes, collected food waste can be hauled to a licensed out of state compost facility.

- 2. If so, are there restrictions on haul distance or on out-of-state disposition? No.**

M. Section IV – Professional Services RFP Administrative Information

Item B.5 (proposal expiration), Page: 5, Text of passage being questioned: *“Prices quoted in the proposal shall remain fixed and binding on the bidder at least through December 17, 2027.”*

Question 6:

- 1. Does the State expect a single fixed rate to apply for the entire three-year base term and both optional extension years, or may vendors propose an annual price adjustment mechanism applying after December 17, 2027?**

Fuel and labor are the dominant costs in this service, and a five-year fixed rate materially affects pricing. Proposal should plan a fixed rate for the three years of the pilot project. An addendum could be made if the conditions are warranted at the time of the extensions.

N. Section V – Contract Terms and Conditions, Item G.8.b (Workers'

Compensation), Page: 16, Text of passage being questioned: *“The vendor shall maintain such insurance as will protect against claims under Worker's Compensation Act...”*

Question 7:

- 1. Delaware requires workers' compensation coverage of employers with one or more employees; a sole proprietor with no employees is not required to carry it. Will the State accept a sole proprietorship or single-member LLC with no employees as compliant with this provision, and if so, does the State require a signed exemption affidavit or other documentation in lieu of a policy?**

The State of Delaware will not require Workers Compensation insurance as noted in the question above. The exemption is allowed under Delaware Code Title 19, Ch. 23, § 2308. Please note that this exemption only applies to sole proprietorship. Single-member LLCs must still comply with the requirement.

O. Section V – Contract Terms and Conditions, Item G.8.d (additional required coverage), Page: 17, Text of passage being questioned: “*The successful vendor must carry at least one of the following depending on the scope of work being performed: (1) Medical/Professional Liability... (2) Miscellaneous Errors and Omissions... (3) Product Liability...*”

Question 8:

- 1. For a residential food waste collection and transport service, which of these three coverages does the State consider applicable? If Product Liability is the applicable line, will the State accept products/completed operations coverage included within a commercial general liability policy, or is a separate policy at \$1,000,000 per occurrence / \$3,000,000 aggregate required?**

You must carry Commercial General Liability coverage at \$1,000,000 per occurrence / \$3,000,000 per aggregate separate from any additional coverage (requirements of G.8.d). For this solicitation, Miscellaneous Errors and Omissions and/or Product Liability is acceptable additional coverage but is not acceptable as the only coverage. The company should determine which additional coverage is acceptable given the specifics of its bid.

P. Section IV – Professional Services RFP Administrative Information, Item B.23 (Business References) and Attachment 5, Page: 9 and 34, Text of passage being questioned: “*Provide at least three (3) business references consisting of current or previous customers of similar scope and value... Personal references cannot be considered.*”

Question:

1. The service being procured is residential in nature, so a vendor's customers of most similar scope are individual households. Will the State accept residential subscribers as business references for this solicitation, or must all three references be commercial, institutional or governmental entities? If residential subscribers are not acceptable, may a vendor substitute references from its receiving compost facility, suppliers, or commercial and event clients?
Business references can include different types of subscribers/clients and with vendors your company does business.

Q. Section V – Contract Terms and Conditions, Item G.13 (Warranty), Page: 18, Text of passage being questioned: *“The Vendor will provide a warranty that the deliverables provided pursuant to the contract will function as designed for a period of no less than one (1) year from the date of system acceptance.”*

Question 10:

1. This provision, along with Section V.C.2 regarding subscription license costs and Section V.C.5 regarding software license and source code escrow agreements, appears to be drafted for an information technology procurement. Please confirm how, if at all, these provisions apply to a curbside collection service, and what constitutes “system acceptance” for this contract.

This is State of Delaware template language. While we want you to warrant your program is workable, it does not appear that Section V.C.2 and V.C.5 apply directly to this solicitation.

R. Appendix A – Minimum Mandatory Submission Requirements, Proposal package formats, item 2, Page: 39, Text of passage being questioned: *“One electronic copy of the vendor proposal saved to CD or DVD media disk, or USB memory stick... (If Agency has requested multiple electronic copies, each electronic copy must be on a separate computer disk or media).”*

Question 11:

1. **Please confirm the number of electronic copies required for this solicitation, and confirm that a single USB memory stick containing the proposal and a separate pricing file satisfies the requirement.**

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S. Misc. Questions

1. **Appendix B describes weekly service and a minimum of once every two weeks. May a biweekly route be proposed and priced?**

Yes, subscriber should be able to choose a level of service. The sentence “at a minimum, the contractor will provide no less than once per two-week period” was to ensure collection in a timely manner.

2. **What funding ceiling, maximum State subsidy per participant, participant copayment and minimum or maximum enrollment apply?**

The Contractor will set the cost of subscription that includes the amount a household will pay and the subsidy that the State will pay.

3. **Is any subscription volume guaranteed?**

No

4. **May collected material be delivered to an appropriately permitted out-of-state food-waste processor?**

Yes, the compost facility must be permitted and licensed in their State.

5. **For the license and experience attachments, please confirm how a prime may truthfully identify and use its proposed collection and processing subcontractors' qualifications while retaining prime responsibility.**

As the prime contractor, you certify the qualifications and experience of proposed subcontractors and are responsible for verifying that each subcontractor is appropriately qualified and capable of performing its assigned work, while retaining overall responsibility for successful contract performance.

6. **Will bidders who request exemptions to the insurance requirements be considered?**

Contractor must meet minimum coverage as stated in RFP.

7. **Are bidders permitted to define the Delaware service area as they choose, or must it follow a specific way (by county or municipality,**

etc)? Yes. Service area can cross municipality and county borders as long as the subscriber is a State of Delaware household.

8. Is there a limit on the number of customers who can sign up during the pilot phase?

The Contractor will determine maximum number of customers based on ability to serve subscribers and not to exceed pilot project total of \$450,000.

9. What is the overall maximum budget for the pilot program?

\$450,000