



## DLA Disposition Services Electronic Recycling Term Sales

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### QUESTIONS and ANSWERS 9 Sep 2015

**1. Question:** Does the DEMIL material require separation in location from other recycling?

Answer: DEMAN/DEMIL material must be segregated from other recycling material and not co-mingled however, the material is not required to be processed at a completely separate facility.

**2. Question:** R2/e-Steward requires 2 different certifications? Which is DLA requiring or will facilities be required to possess both certifications?

Answer: The facility must be certified by a recognized third party and meet either R2 or e-Steward standards and possess a certification letter. DLA will not require a facility to possess both certifications.

**3. Question:** Are you requiring 2 facilities for each contract?

Answer: No, we are not requiring two facilities for each contract. We are requiring a minimum throughput of material for each contract. When submitting Technical Proposals, ensure you are able to demonstrate through facts that the facility(s) can process the weight outlined in the RFTP. Each contract/region must have a DEMIL site. The facility may process both NON-DEMIL and DEMIL required material however, they MUST be segregated and physically separated until destruction.

**4. Question:** Does this include test equipment and currently usable property?

Answer: Yes, it may contain test equipment and usable property. DEMIL A does not require destruction. If the buyer chooses to reuse/reutilize the material for its original intended purpose (computer, copy machine) they may do so unless the material is DEMIL required. DEMIL required material CANNOT be sold as usable and MUST be destroyed.

**5. Question:** What do you mean by shredding? There are many different sizes and we may be shredding it so much we can't use the stuff in it.

Answer: There will be explicit size requirement based on item or based on DEMIL requirements. Cut the material in half or no piece larger than 1.5 inches wide. Shredding is the preferred method of destruction however; other methods of destruction may be approved by the Sales Contracting Officer.

**6. Question:** DLA will deliver the materials to the contract facilities or is it the responsibility of the contractor to remove from the facility?

Answer: The government will deliver the materials to the contractor facility.

**7. Question:** Historical Volume of property documents on the website: does it represent electronic scrap or all scrap?

Answer: We have both types of historical information on the website. We (Disposition Services) will differentiate the material and repost.

**8. Question:** Do we have some property all ready to go and is it going to be consistent property?

Answer: DLA ships electronic property on a regular basis from around the country. When our receiving site accumulates enough material to fill a shipment order (i.e. one truckload), the property is shipped. At the time of this posting, there is no significant backlog of electronic recyclable material.

**9. Question:** R2 certification has minimum requirements for monitoring that are different than DLA requirements. Which requirements are you going to follow?

Answer: DEMIL/DEMAN requirements are exclusively governmental and shall be followed in accordance with our DEMIL/DEMAN manual. Any other property not DEMIL/DEMAN required, we will accept the R2/e-Steward standards for destruction or the Govt standard, whichever is more stringent.

**10. Question:** You talk of evidence of partnership...does that mean that all facilities that are processing must be R2 certified?

Answer: DLA is no longer requiring evidence of partnership. However, if you intend to be a broker, the facility you choose to use must be either R2 or e-Steward certified. Any facility used to process property under this contract must be either R2 or e-Steward certified.

**11. Question:** Will you always use Chicago Index for pricing?

Answer: Yes, we will always use the same AMM No1 Copper Wire (Chicago), lower range for pricing.

**12. Question:** 1.95 – 2.05 range for AMM No1 Copper – how do we bid on that

Answer: Copper market price is used just to calculate bid and eventual billing...not necessarily copper itself but all electronics. Your bid price should be indexed to the copper market as outlined earlier. The bid price will be used to bill you for the weight shipped, regardless of the commodity contained within. Pricing for the month will be taken each month on the 5<sup>th</sup> and used for that billing cycle. If the AMM No 1 Copper index is not updated by the 5<sup>th</sup> of the month, we use the previous month's index until the AMM is updated.

**13. Question:** What if market is flat or copper price goes to zero or even below zero.

Answer: Government will use the last positive market value for billing. If the market is "flat" or Copper shows a value of \$0 for more than one month, Govt will use the last positive value for billing.

**14. Question:** Payment is based on gross truck scale; including cardboard, pallets, etc?

Answer: Billing will be a pallet weight with dunnage (non DEMIL required). Because not every DLA site operates the same nor do they possess the same equipment, some shipments may be shipped after weighing each pallet and then loaded. Other sites may have a truck scale and the material will be loaded to the truck and then the truck weighed. DEMIL required property will be weighed after destruction so

only the residue will be weighed, no dunnage. Bid price should incorporate estimated dunnage. If you elect to participate in one of the site visits, this should help with your estimates.

**15. Question:** Will the contractor be able to direct the Non-DEMIL shipments to the location it would prefer the material to be delivered? What degree will the contractor have in determining where it is going?

Answer: Govt will determine which site to ship the material based on cost and distance. Govt will ship to the most cost effective facility.

**16. Question:** Will DLA provide a BOL or Inventory of items....

Answer: Only DEMIL items will be identified and itemized...all other material will be shipped by gross weight. Because DEMIL is a controlled item, Govt must ensure that what was sent was received and actually destroyed.

**17. Question:** When handling DEMIL material, will the contractor be required to verify?

Answer: Government will provide verification and contractor will provide certification on DEMIL items. Non-DEMIL material does not require Govt oversight and title will pass to contractor when material is shipped. Contractor owns the material once received at the recycling facility. DEMIL material will not change ownership until the material has been destroyed and proof of destruction (DEMIL) has been provided to the Govt. At that point, Govt will transfer title of the DEMIL material to the contractor.

**18. Question:** What if you can't cover the DEMIL site for 2 or 3 weeks for some reason? Will the property just accumulate until the contractor gets back and then work the property?

Answer: If the contractor cannot maintain an employee at the DEMIL site for 2-3 weeks, Govt will consider that in violation of the contract and grounds for termination of the contract. It will also be a disqualifier for step two.

**19. Question:** Will material be shipped with both DEMIL and non-DEMIL material co-mingled in the truck?

Answer: Govt will make every attempt to segregate DEMIL and non-DEMIL property by shipping separately. However, we have smaller sites that may need to co-mingle DEMIL and non-DEMIL material in the same shipment to make it more efficient. If that is the case, all DEMIL items will be segregated and annotated clearly that it is DEMIL required.

**20. Question:** What hours will the Govt work at the DEMIL sites? Our facility runs more than one shift. Will/Can the Govt have its employees work other than just during the week?

Answer: We intend to have a Mon-Fri 40 hour work schedule. If operations so dictate, we will consider other work schedules based on the operational requirements of the site.

**21. Question:** How many days do you require to complete DEMIL? 3 working days for DEMIL destruction?

Answer: Requirement to complete DEMIL destruction will be 5 business days from the date the material was received and inventoried. Once the receipt and inventory has been completed, the facility will have 5 business days to effect destruction of the material.

**22. Question:** Does the Govt have a contingency plan if government experiences a furlough?

Answer: We do not have a contingency plan for furlough.

**23. Question:** Are photos allowed during the site visit?

Answer: Photos will be allowed during the site visit.

**24. Question:** Is the site visit mandatory?

Answer: No. Govt is offering these site visits as an opportunity for the potential contractor to review the property and receive a brief on the RFTP and IFB. It is not mandatory.

**25. Question:** The bid is due on 27 Aug. the site visit is also scheduled on the 27<sup>th</sup>. That doesn't afford us the opportunity to review the property before our Technical Proposal is due.

Answer: Technical Proposals are now due 17 September 2015.

**26. Question:** Can we send questions at any time?

Answer: Yes, questions can be sent to me at any time?

**27. Question:** Are we posting the participant list on the site?

Answer: No, we will post questions and answers as we go along.

**28. Question:** Who is the current contractor?

Answer: The current contractor is Government Liquidation.

**29. Question:** Should we do anything with the IFB prior to being approved on the RFTP?

Answer: Govt will evaluate Technical Proposals submitted in Step 1 (RFTP) and extend an invitation to Step 2 (IFB) only to those companies found responsible.

**30. Question:** If you choose a broker, how will you verify that all material is handled by an R2 certified facility?

Answer: The Govt will ship all material. Contractor must provide proof of facility R2 or e-Steward certification in Step One (RFTP). The Govt will only ship to the certified R2 or e-Steward facilities the contractor outlined in their Technical Proposal.

**31. Question:** The IFB indicates a \$100,000 deposit is required in order to submit a bid. When will DLA return the deposit of any bidder who is not selected?

Answer: DLA will return deposits once it is determined that the Apparent High Bidder is responsible. Bid Deposits are typically returned to Bidders within two weeks of this decision. However, it may take up to 30 days for Govt to verify the Apparent High bidder. Should the Apparent High Bidder be found not responsible, Govt will move to the next Apparent High Bidder and begin verification. The Bid deposit originally submitted should be valid for a minimum of 30 business days.

**32. Question:** The IFB appears to have a discrepancy regarding the required deposit for the selected contractor. Under “General Statements of Contract” on page 5, it reads: “Within ten (10) business days of contract award, the Contractor must pay DLA DISPOSITION SERVICES a payment deposit totaling one hundred thousand dollars (\$100,000). This amount is in addition to the \$100,000 bid deposit required at the time of bid submission.”

However, in Article Three, it reads: “ARTICLE THREE – Contract Financial Retention. Section 2 – Payment Deposit – Within ten (10) calendar days of notification from the Sales Contracting Officer, Contractor shall provide DLA DISPOSITION SERVICES the amount of two-hundred fifty thousand dollars (\$250,000), referred to as the payment deposit.”

Can DLA clarify this?

Answer: The bid deposit will be one-hundred thousand dollars (\$100,000). It must be in the form of a certified check or cashier’s check made out to U.S. Treasury. There is no longer a pre-payment requirement or a security bond requirement.

**33. Question:** Article Nine – Government Required Reposts details the Contractor’s responsibility for reports due back to DLA. It reads: “Contractor will provide a breakdown of all material received by commodities type listed in the AMM when applicable.” Can DLA clarify or elaborate on this?

Answer: DLA Headquarters in Washington, D.C. often requests data regarding property destroyed and/or property recycled. Contractor shall provide a monthly report outlining the amount (can be an estimate) of Gold, Silver, Palladium, Aluminum, and plastic derived from the processed material in weight per month.

**34. Question:** Article Nine – Government Required Reports, Section 1 reads: “Demil/Deman property will be assigned a unique number for the conveyance vehicle and a separate unique number for the individual packaging (tri-wall) containing Demil/Deman material.”

Will DLA assign the “unique number” or is that the responsibility of the Contractor?

Answer: The Government will assign this unique number at time of shipment.

**35. Question:** RFTP – Eastern U.S.: Page 3. Reqmt 3-2. Resale Report For re-sales to individuals, will DLA require reporting of personal information of customer?

Answer: The Government will NOT require personal information.

**36. Question:** Page 9 – 1. Explain “Precision cutting tools are not authorized and shall not be used in the destruction of DEMAN/DEMIL property.”

Answer: DEMIL/DEMAN material must be completely destroyed, to the point that it cannot be re-assembled and used for its original intended purpose. By using precision cuttings tools and making precision cuts, the material could be repaired and used for its original purpose and therefore, are not allowed.

**37. Question:** Page 24. Section 2. (C) Does the contractor’s liaison position have to be situated in Battle Creek, Michigan? Can you elaborate on requirements of this position?

Answer: This requirement has been removed. There is no requirement for the contractor to provide a liaison in Battle Creek, MI.

**38. Question:** Page 27. Section 3 and Page 34, Section 1. Seller Indirect Costs Report. Would you explain which costs are eligible for reimbursement by DLA to the Contractor under this section?

Answer: Seller Indirect Costs have been removed from the contract.

**39. Question:** You mentioned that the current vendor is Gov Liquidators, is this correct? Is it safe to assume then that the non-DEMIL equipment that was auctioned on this site is the equipment that will now be moved through this contract?

Answer: Yes, GL is the current vendor. Electronic material to be recycled, both DEMIL and NON-DEMIL will be offered via these two contracts.

**40. Question:** Regarding the government personnel, will the government personnel be onsite 100% of the time or just while DEMIL activities are occurring or all of the time?

Answer: The Government personnel that will be onsite at the DEMIL center will be there full time. That location will be their full time place of duty.

**41. Question:** To clarify - Are DEMIL capabilities required at each of the locations or just one? If the contractor has multiple locations with DEMIL capability at one location I assume it will be the contractors responsibility to ship whatever needs to be DEMIL’D to the location with that functionality correct?

Answer: Only one location will be DEMIL certified. The Govt will ship the DEMIL material only to the approved DEMIL site. Should DEMIL required material arrive at another location, that will have been a mistake on the governments part and we will re-route to the DEMIL facility. There will be one DEMIL facility for each contract. The site can process other material (NON-DEMIL) but the DEMIL material MUST be segregated, inventoried, accounted for and disposed of completely separate from other material.

**42. Question:** Is the contractor required to provide a full report of each asset received utilizing the NSN or LSN for each truck load?

Answer: No.

**43. Question:** There is a statement concerning receiving a report regarding the breakdown of all scrap received by commodity type listed in the AMM when applicable. - Is the request that the contractor actually follow and report on the breakdown of commodities by truckload?

Answer: DLA Headquarters in Washington, D.C. often requests data regarding property destroyed and/or property recycled. Contractor shall provide a monthly report outlining the amount (can be an estimate) of Gold, Silver, Palladium, Aluminum, and plastic derived from the processed material in weight per month.