



City of San Antonio

ADDENDUM I

SUBJECT: Annual Contract For Medical Waste Disposal Services - Request for Offer No. 6100007561, Scheduled to Open: June 1, 2016; Date of Issue: May 13, 2016

FROM: Paul J. Calapa, Procurement Administrator

DATE: July 12, 2016

**THIS NOTICE SHALL SERVE AS ADDENDUM NO. I - TO THE ABOVE REFERENCED
REQUEST FOR OFFER**

I. Section 004 – Specifications / Scope of Services is hereby modified as shown below. Words that are struck through represent deletions. Words that are underlined represent new text.

Section 004 – Specifications / Scope of Services

The City of San Antonio is soliciting bids for a Contractor to furnish all labor, equipment, materials, and tools required for the collection, transportation, and disposal of regulated medical waste in accordance with the specifications listed herein. These services are required by various City facilities to establish a program that will ensure the proper disposal of regulated medical waste.

DEFINITIONS

“Non-conforming Waste” means (i) any waste or other material not falling within the definition of Regulated Medical Waste, and includes fetal remains and human torsos; (ii) radioactive wastes; (iii) chemotherapeutic hazardous waste and substances as defined in any applicable laws, regulations, and guidelines; (iv) pharmaceutical waste; (v) any device, solution, or waste containing mercury, including dental wastes (amalgam products, chair side traps, amalgam sludge or vacuum pumps); (vi) improperly segregated, labeled or packaged waste, including sharps not in designated sharp containers; (vii) containers that are leaking, damaged or likely to create risk of exposure to employees or the general public; (viii) any other material which the Contractor may not collect, transport, treat or dispose in accordance with applicable laws, regulations, or guidelines.

“Regulated Medical Waste” includes medical and special waste as defined in 30 TAC 326.3 ~~30 TAC 330.3 (relating to municipal solid waste)~~, “special waste from health care-related facilities” as defined in 25 TAC 1.132, “Regulated Medical Waste / Clinical Waste / (bio) Medical Waste” as defined in 49 CFR 173.134 (relating to transportation of hazardous materials), and “Regulated Waste” as defined in 29 CFR 1910.1030 (relating to blood borne pathogens) and is waste or reusable material known to contain or suspected of containing an infectious substance in Risk Group 2 or 3 and generated in the diagnosis, treatment, or immunization of human beings or animals; research on the diagnosis, treatment, or immunization of human beings or animals; or the production or testing of biological products.

"Sharps" are needles, syringes, scalpels, broken glass, culture slides, culture dishes, broken capillary tubes, and broken rigid plastic.

"Sharps Containers" are those containers to be provided by the City for the proper collection, storage, transportation, treatment, and disposal of Sharps.

"Waste" is defined as Regulated Medical Waste and Sharps. Waste does not include any Non-conforming Waste.

SCOPE OF SERVICE:

1. Contractor shall collect, transport, treat and dispose of all Waste generated by the City. Contractor may refuse Containers that are deemed to be Non-conforming Waste. Disposition shall be by any approved method of treatment and disposition as required by 25 TAC 1.136 and 30 TAC 326 ~~30 TAC 330, Subchapter Y~~, unless other disposition shall become required by federal, state, or local law during the term of this Contract.
2. Contractor shall collect City's Waste at each location on a weekly basis, unless otherwise indicated below. Collection shall occur during a week day (Monday through Friday) between the hours of 8:00 a.m. and 5:00 p.m.
3. The collection locations, frequency of pickups and estimated quantity of containers are indicated below. City may change the locations, frequency of pick-ups, and/or the estimated number of collection containers so long as all locations are within the City of San Antonio. Any off schedule/additional pickups requested by City facilities shall be billed at prices bid. All changes shall be made in writing by City.

Location A. Brooks City-Base, 2509 Kennedy Circle, Basement Level, San Antonio, TX 78235.
Estimated Number of Collection Containers: Three per pickup.
Frequency of pickups: Once a week

Location B. San Antonio Metro Health, 332 W. Commerce, Room 201, San Antonio, TX 78205.
Estimated Number of Collection Containers: Seven per pickup.
Frequency of pickups: Once a week

Location C: 512 E, Highlands, Suite 150, Rm 116, San Antonio, TX 78210
Estimated Number of Collection Containers: Two per pickup.
Frequency of pickups: Once per week

Location D. SAFD Service Division, 230 South Callaghan Rd, San Antonio, TX 78227.
Estimated Number of Collection Containers: Ten per pickup.
Frequency of pickups: Once a week

Location E. Animal Care Services, 4710 State Hwy 151, San Antonio, TX 78227. Estimated Number of Collection Containers: Five per pickup.
Frequency of pickups: Once a week

Location F. San Antonio Police Department (SAPD), 555 Academic Court, San Antonio, TX 78204.
Estimated Number of Collection Containers: One per pickup.
Frequency of pickups: Once per week.

4. Contractor shall provide the collection containers for the City's disposal of Waste, except for Sharps containers. City shall provide and be responsible for all Sharps containers, which will be placed within Contractor's containers for collection. Collection containers shall be 30 gallon in size. Collection containers shall remain the property of the Contractor. Collection containers shall comply with the requirements of 49 CFR 173.24, and 49 CFR 173.197, both as hereafter amended, and all other federal, state and local requirements. City shall exercise reasonable care with the Contractor's collection containers and any other equipment provided by the Contractor while under City's care, custody, and

control. City shall be responsible for ensuring that all Sharps containers comply with all applicable laws, including without limitation those regulations cited above.

5. All Regulated Medical Waste must be accompanied by a properly completed shipping document pursuant to 49 CFR Part 172, subpart C (Manifest), as hereafter amended, or other federal, state, or local law, rule or regulation. City and Contractor shall both comply with their respective requirements for manifests, including all federal, state, and local requirements.
6. According to 30 TAC 326 ~~30 TAC 330, 1207~~, as a generator of medical waste, the Contractor shall provide to the City a signed receipt from the transporter for each shipment of medical waste.
7. Contractor shall comply in all respects with 49 CFR 172.101 – Hazardous Materials Table, and applicable provisions of 25 TAC 1, Subchapter K, and 30 TAC 326 ~~30 TAC 330, Subchapter Y~~, as hereafter amended, and all other applicable federal, state and local requirements in carrying out its duties under this Agreement.
8. Contractor shall not be obligated to collect, transport, and dispose of Non-conforming Waste. City shall segregate Non-conforming Waste, if any, for disposal by other means.
9. Title to Regulated Medical Waste collected from the City shall transfer and vest in the Contractor at the time the Contractor takes control of the containers for loading and transport.
10. Compliance Materials – To the extent that the Contractor provides the City with any electronic or printed materials containing information and guidance on complying with laws related to disposal of medical waste (“Compliance Materials”), it provides these materials subject to a limited license to the City to use the Compliance Materials for the City's own, non-commercial use. City may not copy or distribute the Compliance Materials in any manner, other than for its employees' use. City agrees to return all unused Compliance Materials to the Contractor at the City's expense upon the expiration or termination of this Contract, or, at the Contractor's option, destroy all copies of said Compliance Materials.

CONTRACTOR QUALIFICATIONS:

Contractor warrants and certifies that the Contractor and any other person designated to provide services hereunder has the requisite training, license and/or certification to provide said services, and meets all competence standards promulgated by all authoritative bodies, as applicable to the services provided herein, including but not limited to the Texas Commission on Environmental Quality, for the transportation, storage, treatment, and disposal of Regulated Medical Waste.

Copies of any necessary permits, licenses, zoning and other federal, state or local authorizations required to perform the services under this Contract shall be submitted with the bid and furnished within 2 business days of any other request by the City during the term of this contract.

CONTRACTOR SHALL PROVIDE:

Bags for packaging of biomedical waste materials. Bags shall be of sufficient strength to prevent ripping or tearing. Bags shall be red in color and marked according to federal, state, and local regulations. Contractor shall provide bags as required by each facility.

Contractor shall deliver 30-gallon, disposable, cardboard collection boxes before the initial pickup for Public Health Locations A, B, C & D, and continue to provide collection boxes throughout the term of the contract on an as needed basis.

Reusable plastic tubs (collection containers) for containment of the red biohazard bags and sharps containers. Containers shall be 30 gallon in size, have sealable lids, and meet federal, state, and local regulations.

Labels for all bags, cardboard containers, sharps containers, and tubs. Bags, cardboard containers, sharps containers and tubs shall be labeled "biomedical waste" or labeled with the international biohazard symbol and the word "Biohazard" as required by federal, state, or local regulations and OSHA. Contractor shall provide labels as required by each facility.

II. Section 005 – Supplemental Terms and Conditions is hereby modified by adding the following:

Grant Funded Contract Mandatory Provisions. This contract is funded in part by the Public Health Emergency Preparedness grant, a federal grant from Centers for Disease Control (CDC) passed through to City by the Texas Department of State Health Services (the "Department" or "DSHS"). The following provisions are included in this contract as required by the CDC and the DSHS to the extent applicable.

A. Records Retention.

a. Contractor shall retain and preserve records in accordance with applicable state and federal statutes, rules and regulations. At a minimum, Contractor shall maintain all records, including, but not limited to, financial that are generated or collected by Contractor under the provisions of this Contract for a period of four years after the termination of this Contract.

b. If the federal retention period for services are funded through Medicaid is more than four years, then the Contractor will retain the records for longer period of time.

c. Contractor shall retain all records pertaining to this Contract that are the subject of litigation or an audit until the litigation has ended or all questions pertaining to the audit are resolved.

d. Contractor shall retain medical records in accordance with 22 TAC §165.1(b) or other applicable statutes, rules and regulations governing medical information.

e. Contractor shall include this provision concerning records retention in any subcontract it awards.

f. If Contractor ceases business operations, it shall ensure that records relating to this Contract are securely stored and are accessible by the Department upon Department's request for at least four years from the date Contractor ceases business or from the date this Contract terminates, whichever is sooner.

g. Contractor shall provide, and update as necessary, the name and address of the party responsible for storage of records to the contract manager assigned to this Contract.

B. Access and Inspection. In addition to any right of access arising by operation of law, Contractor and any of Contractor's affiliate or subsidiary organizations or subcontractors shall permit the Department or any of its duly authorized representatives, as well as duly authorized federal, state or local authorities, including the Comptroller General of the United States, the Office of the Inspector General (OIG) at the Texas Health and Human Services Commission (HHSC) and the State Auditor's Office (SAO) or any of their successor agencies, unrestricted access to and the right to examine any site where business is conducted or client services are performed, and all records, which includes but is not limited to financial, client and patient records, books, papers or documents related to this Contract. If deemed necessary by the Department or the OIG, for the purpose of investigation or hearing, Contractor shall produce original documents related to this Contract. The Department and HHSC shall have the right to audit billings both before and after payment, and all documentation that substantiates the billings. Contractor shall include this provision concerning the right of access to, and examination of, sites and information related to this Contract in any subcontract it awards.

C. State Auditor's Office. Contractor shall, upon request, make all records, books, papers, documents, or recordings related to this Contract available for inspection, audit, or reproduction during normal business hours to any authorized representative of the SAO. Contractor understands that the acceptance of funds under this Contract acts as acceptance of the authority of the SAO, or any successor agency, to conduct

an audit or investigation in connection with those funds. Contractor shall cooperate fully with the SAO or its successor in the conduct of the audit or investigation, including providing all records requested, and providing access to any information the SAO considers relevant to the investigation or audit. The SAO's authority to audit funds shall apply to Contract funds disbursed by Contractor to its subcontractors, and Contractor shall include this provision concerning the SAO's authority to audit and the requirement to cooperate, in any subcontract Contractor awards.

D. Assurances and Certifications.

(1) Certification. Contractor certifies by execution of this Contract to the following and will include such in all of its subcontracts:

- a. It is not disqualified under 2 CFR § 376.935 or ineligible for participation in federal or state assistance programs;
- b. Neither it, nor its principals, are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal or state department or agency in accordance with 2 CFR Parts 376 and 180 (parts A-I), 45 CFR Part 76 (or comparable federal regulations);
- c. It has not knowingly failed to pay a single substantial debt or a number of outstanding debts to a federal or state agency;
- d. It is not subject to an outstanding judgment in a suit against Contractor for collection of the balance of a debt;
- e. It is in good standing with all state and/or federal agencies that have a contracting or regulatory relationship with Contractor;
- f. That no person who has an ownership or controlling interest in Contractor or who is an agent or managing employee of Contractor has been convicted of a criminal offense related to involvement in any program established under Medicare, Medicaid, or a federal block grant;
- g. Neither it, nor its principals have within the three year period preceding this Contract, has been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a private or public (federal, state or local) transaction or contract under a private or public transaction, violation of federal or state antitrust statutes (including those proscribing price-fixing between competitors, allocation of customers between competitors and bid-rigging), or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or false claims, tax evasion, obstruction of justice, receiving stolen property or any other offense indicating a lack of business integrity or business honesty that seriously and directly affects the present responsibility of Contactor or its principals;
- h. Neither it, nor its principals is presently indicted or otherwise criminally or civilly charged by a governmental entity (federal, state or local) with the commission of any of the offenses in subsection (g) above; and
- i. Neither it, nor its principals within a three year period preceding this Contract has had one or more public transaction (federal, state or local) terminated for cause or default.

Where Contractor is unable to certify to any of the statements in this Article, Contractor shall submit an explanation to the contract manager assigned to the Contract. Also, if Contractor's status with respect to the items certified in this Article changes during the term of this Contract, Contractor shall immediately notify the contract manager assigned to the Contract.

(2) Child Support Delinquencies. As required by Texas Family Code §231.006, a child support obligor who is more than 30 calendar days delinquent in paying child support and a business entity in which the obligor is a sole proprietor, partner, shareholder or owner with an ownership interest of at least 25% is not eligible to receive payments from state funds under a contract to provide property materials, or services or receive a state-funded grant or loan. If applicable, Contractor shall maintain its eligibility to receive payments under this Contract, certifies that it is not ineligible to receive the payments specified in this Contract and acknowledges that this Contract may be terminated and payment may be withheld if this certification is inaccurate.

(3) Authorization. Contractor certifies that it possesses legal authority to contract for the services described in this Contract and if applicable, a resolution, motion or similar action has been duly adopted or passed as an official act of Contractor's governing body, authorizing the binding of the organization under this Contract including all understandings and assurances contained in this Contract, and directing and authorizing the person identified as the authorized representative of Contractor to act in connection with this Contract and to provide such additional information as may be required.

(4) Gifts and Benefits Prohibited. Contractor certifies that it has not given, offered to give, nor intends to give at any time hereafter, any economic opportunity, present or future employment, gift, loan, gratuity, special discount, trip, favor, service or anything of monetary value to a DSHS or HHSC official or employee in connection with this Contract.

(5) Ineligibility to Receive the Contract.

a. Pursuant to Texas Government Code §2155.004 and federal law, Contractor is ineligible to enter into this Contract with the Department if this Contract includes financial participation by a person who received compensation from DSHS to participate in developing, drafting or preparing the specifications, requirements, statement of work or Solicitation Document on which this Contract is based. Contractor certifies that neither Contractor nor its employees nor anyone acting for Contractor has received compensation from DSHS for participation in the developing, drafting or preparation of specifications, requirements or statements of work for this Contract or in the Solicitation Document associated with this Contract.

b. Pursuant to Texas Government Code §§ 2155.006 and 2261.053, Contractor is ineligible to enter into this Contract, if Contractor or any person who would have financial participation in this Contract has been convicted of violating federal law or been assessed a federal civil or administrative penalty, in connection with a contract awarded by the federal government for relief, recovery or reconstruction efforts as a result of Hurricanes Rita or Katrina or any other disaster occurring after September 24, 2005.

c. Contractor certifies that the individual or business entity named in this Contract is not ineligible to receive the specified Contract under Texas Government Code §§ 2155.004, 2155.006 or 2261.053 and acknowledges that this Contract may be terminated and payment withheld if these certifications are inaccurate.

(6) Antitrust. Pursuant to 15 USC Sec. 1, et seq., and Texas Business & Commerce Code § 15.01, et seq. Contractor certifies that neither Contractor nor anyone acting for Contractor has violated the antitrust laws of this state or federal antitrust laws nor communicated directly or indirectly regarding a bid made to any competitor or any other person engaged in Contractor's line of business for the purpose of substantially lessening competition in such line of business.

E. Status of Subcontractors.

Contractor hereby certifies, and will require this same certification from all subcontractors providing services hereunder, that it is:

a. In good standing with all state and federal funding and regulatory agencies;

- b. Not currently debarred, suspended or otherwise excluded from participation in federal grant programs;
- c. Not delinquent on any repayment agreements;
- d. Not had a required license or certification revoked;
- e. Not ineligible as described above under Ineligibility to Receive the Contract or as described below in Conflict of Interest or Transactions Between Related Parties;
- f. Not had a contract terminated by the Department; and
- g. Not voluntarily surrendered within the past three years any license issued by the Department.

F. Conflict of Interest. Contractor represents to the Department that it and its subcontractors, if any, do not have, nor shall Contractor or its subcontractors knowingly acquire or retain any financial or other interest that would conflict in any manner with the performance of their obligations under this Contract. Potential conflicts of interest include, but are not limited to, an existing or potential business or personal relationship between Contractor (or subcontractor), its principal (or a member of the principal's immediate family) or any affiliate or subcontractor and Department or HHSC, their commissioners, officers or employees, or any other entity or person involved in any way in any project that is the subject of this Contract.

Contractor shall establish safeguards to prohibit employees and subcontractors and their employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest or personal gain.

If, at any time during the term of this Contract, Contractor or any of its subcontractors has a conflict of interest or potential conflict of interest, Contractor shall disclose the actual or potential conflict of interest to the contract manager assigned to the Contract within 10 days of when Contractor becomes aware of the existence of the actual or potential conflict of interest. Contractor shall require each of its subcontractors to report to Contractor any conflict of interest or potential conflict of interest the subcontractor has or may have within 10 days of when the subcontractor becomes aware of the actual or potential conflict of interest.

G. Transactions Between Related Parties. Contractor shall identify and report to DSHS any transaction between Contractor and a related party that is part of the work that the Department is purchasing under this Contract before entering into the transaction or immediately upon discovery. A related party is a person or entity related to Contractor by blood or marriage, common ownership or any association that permits either to significantly influence or direct the actions or policies of the other. Contractor, for purposes of reporting transactions between related parties, includes the entity contracting with the Department under this Contract as well as the chief executive officer, chief financial officer and program director of Contractor.

Contractor shall submit to the contract manager assigned to the Contract the name, address and telephone number of the related party, how the party is related to Contractor and the work the related party shall perform under this Contract.

Contractor shall comply with Texas Government Code Chapter 573.

Contractor shall maintain records and supply any additional information requested by the Department, regarding a transaction between related parties, needed to enable the Department to determine the appropriateness of the transaction pursuant to applicable state or federal law, regulations or circulars, which may include 45 CFR § 74.42.

H. Lobbying.

- a. Contractor shall comply with Texas Government Code § 556.0055, which prohibits contractors who receive state funds from using those funds to pay lobbying expenses. Further, Contractor shall not use funds paid under this Contract, either directly or indirectly, to support the enactment, repeal,

modification, or adoption of any law, regulation or policy at any level of government, or to pay the salary or expenses of any person related to any activity designed to influence legislation, regulation, policy or appropriations pending before Congress or the state legislature, or for influencing or attempting to influence an officer or employee of any federal or state agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any contract or the extension, continuation, renewal, amendment, or modification of any contract (31 USC § 1352).

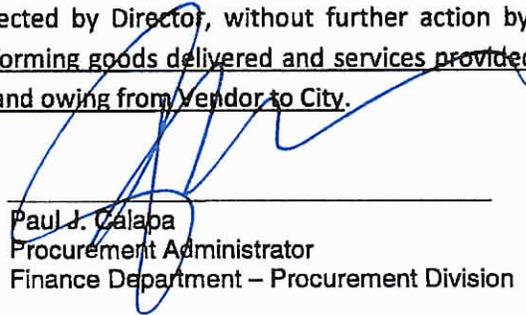
b. If at any time this Contract exceeds \$100,000 of federal funds, Contractor shall file with the contract manager assigned to the Contract a declaration containing the name of any registrant under the Lobbying Disclosure Act of 1995 who has made lobbying contacts on behalf of Contractor in connection with this Contract, a certification that none of the funds provided by Department have been or shall be used for payment to lobbyists, and disclosure of the names of any and all registered lobbyists with whom Contractor has an agreement.

c. Contractor shall file the declaration, certification, and disclosure:

1. At the time of application for this Contract;
2. Upon execution of this Contract unless Contractor previously filed a declaration, certification, or disclosure form in connection with the award; and
3. At the end of each calendar quarter in which any event occurs that materially affects the accuracy of the information contained in any declaration, certification, or disclosure previously filed. Contractor shall require any person who requests or receives a subcontract to file the same declaration, certification, and disclosure with the contract manager assigned to the Contract. Contractor shall include this provision in any subcontracts.

III. Section 006 – General Terms and Conditions is hereby modified as follows. Words that are struck through represent deletions. Words that are underlined represent new text.

A. Termination. Termination by City may be effected by Director, without further action by the San Antonio City Council. City shall pay Vendor for conforming goods delivered and services provided prior to the date of termination, offset by any amounts due and owing from Vendor to City.

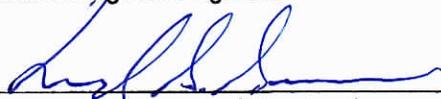


Paul J. Galapa
Procurement Administrator
Finance Department – Procurement Division

PC/sc

This addendum forms a binding part of the contract and takes priority over the RFO to the extent of any conflict therewith.

Acknowledge and Agreed:



(Signature)

Printed Name: NORD S. SORENSEN
Title: PRESIDENT, BIOCYCLE, Inc.
Date: 7/12/2016