Agenda - Executive Policy Committee - September 17, 2008

Report - Standing Policy Committee on Infrastructure Renewal and Public Works - September 9, 2008

Item No. 2 Award of Contract for Mechanical Collection of Solid Wastes from Apartments and Small Commercial Establishments in the north west area of The City of Winnipeg
E-File WT-1

STANDING COMMITTEE RECOMMENDATION:

On September 9, 2008, the Standing Policy Committee on Infrastructure Renewal and Public Works concurred in the recommendation of the Winnipeg Public Service and submits the following to Council:

1. That a multi-year contract for Bid Opportunity No. 375-2008 be awarded to BFI Canada Inc., the lowest evaluated responsive bidder meeting the specifications in the estimated amount of $647,650.00/year plus GST and MRST as applicable for the period of February 1, 2009 to January 31, 2016. The total estimated cost over the term of the contract is $4,533,550.00.

2. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

Agenda - Executive Policy Committee - September 17, 2008

Report - Standing Policy Committee on Infrastructure Renewal and Public Works - September 9, 2008

DECISION MAKING HISTORY:

STANDING COMMITTEE RECOMMENDATION:

On September 9, 2008, the Standing Policy Committee on Infrastructure Renewal and Public Works concurred in the recommendation of the Winnipeg Public Service and submitted the matter to the Executive Policy Committee and Council.

Re: AWARD OF CONTRACT FOR MECHANICAL COLLECTION OF SOLID WASTES FROM APARTMENTS AND SMALL COMMERCIAL ESTABLISHMENTS IN THE NORTH WEST AREA OF THE CITY OF WINNIPEG, BID OPPORTUNITY NO. 375-2008

FOR SUBMISSION TO: THE STANDING POLICY COMMITTEE ON INFRASTRUCTURE RENEWAL AND PUBLIC WORKS

ORIGINAL REPORT SIGNED BY: Barry MacBride, P. Eng.
Director of the Water and Waste Department

REPORT DATE: August 25, 2008

RECOMMENDATION(S):

That a multi-year contract for Bid Opportunity No. 375-2008 be awarded to BFI Canada Inc., the lowest evaluated responsive bidder meeting the specifications in the estimated amount of $647,650.00/year plus GST and MRST as applicable for the period of February 1, 2009 to January 31, 2016. The total estimated cost over the term of the contract is $4,533,550.00.

Report Summary

KEY ISSUES: This award is for a multi-year contract.

IMPLICATIONS OF THE RECOMMENDATION(S):

General Implications

	None
	For the organization overall and/or for other departments
	For the community and/or organizations external to the City of Winnipeg
x	Involves a multi-year contract

Comment(s): The term of the contract is from February 1, 2009 to January 31, 2016.

Policy Implications

x	No
	Yes

Comment(s):

Regulatory Implications

x	None
	Eliminates or reduces regulatory impact

[ ] Proposes regulatory impact
Comment(s):

Environmental Implications

[x] No
[ ] Yes
Comment(s):

Human Resources Implications

[x] No
[ ] Yes
Comment(s):

Financial Implications

[x] Within approved current and/or capital budget
[ ] Current and/or capital budget adjustment required
Comment(s): Funds for this project are included every year in the Current Budget.

REPORT

REASON FOR THE REPORT:

As the term of the contract exceeds five years and the contract creates an absolute commitment for funds not yet approved by Council, Council must approve the award of contract.

HISTORY:

Funds for this work are included every year in the Annual Current Budget for Mechanical Collection of Solid Waste, Account Distribution No. 001 521080 201962 999.

DISCUSSION:

The work of this contract consists of the collection of garbage from metal containers of a size and type suitable for mechanically dumping into collection vehicles, as envisioned by Clause 7(a)iii of the Solid Waste By-law. The area boundaries for collection will be North of the Assiniboine River and West of the Red River in the City of Winnipeg.

The major component of the work is the provision of regular garbage collection services to apartments, small commercial premises, and Civic operated facilities that utilize authorized metal containers suitable for frontloading or roll-off garbage collection vehicles. All of the collected garbage will be transported to the Brady Road Landfill.

The Bid Opportunity closed on August 1, 2007, with bids being received as follows:

	Annual Bid Price	7 Year Total Price
BFI Canada Inc	$ 647,650.00	$4,533,550.00
Halton Recycling Ltd. dba International Paper Industries	$1,076,592.09	$7,536,144.63
Waste Management of Canada Corporation	$1,079,343.60	$7,555,405.20

The prices bid have been used to evaluate the bid submissions. In accordance with Clause B8 Prices the unit prices will be adjusted on February 1, 2009 and on subsequent anniversary dates based on Statistics Canada Consumer Price Indices for All-items (for the City of Winnipeg), Gasoline (private transportation for the Province of Manitoba) and Average Hourly Earnings (employees paid by the hour in truck transportation for the Province of Manitoba).

Solid Waste Services staff of this Department are satisfied that the low Bidder has the necessary resources to perform all of the work in accordance with the requirements of the specifications. The low Bidder has satisfactorily carried out previous works of a similar nature.

The Manager of Materials has advised that each of the bid submissions was accompanied by satisfactory bid security.

The bid recommended for acceptance is the low bid meeting all requirements of the specifications. This offer is open for acceptance until November 19, 2008.

FINANCIAL IMPACT:

The following financial impact statement for this project has been prepared in accordance with the recommendation adopted by Council on December 13, 2000.

Financial Impact Statement

Date: August 11, 2008

Project Name: **First Year of Program 2009**

MECHANICAL COLLECTION OF SOLID WASTES FROM APARTMENTS AND SMALL COMMERCIAL ESTABLISHMENTS IN THE NORTH WEST AREA OF THE CITY OF WINNIPEG, BID OPPORTUNITY NO. 375-2008

	2009	2010	2011	2012	2013
Capital					
Capital Expenditures Required	$ -	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	-	-	-	-	-
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Grants (Enter Description Here)	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other - Enter Description Here	-	-	-	-	-
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ 593,679	$ 647,650	$ 647,650	$ 647,650	$ 647,650
Less: Incremental Revenue/Recovery	-	-	-	-	-
Net Cost/(Benefit)	$ 593,679	$ 647,650	$ 647,650	$ 647,650	$ 647,650
Less: Existing Budget Amounts	593,679	647,650	647,650	647,650	647,650
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments: Funds for this work are included every year in the Annual Current Budget for Mechanical Collection of Solid Waste, Account Distribution No. 001 521080 201962 999.

"Original signed by S. Roberts, C.A. for"
Moira L. Geer C.A.
Manager of Finance & Administration

je
11-Aug-08

3014

IN PREPARING THIS REPORT THERE WAS:

Internal Consultation With and Concurrence By:

Internal Services, Legal Services Division
Corporate Finance, Materials Management Branch

External Consultation With: N/A

THIS REPORT SUBMITTED BY:

Water and Waste Department
Solid Waste Division
Prepared by: John Elias, C. E. T.
Processed by: Tamara Siemens
Fax No.: 986-3745
File No.: 011-15-09-04-00

Attachment

c: Manager of Legal Services/City Solicitor, Internal Services Department
Manager of Materials, Corporate Finance Department
B. Gramiak, Finance and Administration, Water and Waste Department
J. Smalley, C.E.T., Water and Waste Department

THE CITY OF WINNIPEG
WATER AND WASTE DEPARTMENT

BID TABULATION

FOR MECHANICAL COLLECTION OF SOLID WASTES FROM APARTMENTS AND SMALL COMMERCIAL ESTABLISHEMENTS IN THE NORTH WEST AREA OF THE CITY OF WINNIPEG

Bid Opportunity No. 375-2008 **File No. 011-15-09-04-00**

Bidder	Annual Bid Price	7 Year Total Price	Completion Date	Deposit
BFI Canada Inc	$ 647,650.00	$4,533,550.00	January 31, 20016	Bid Bond
Halton Recycling Ltd. dba International Paper Industries	$1,076,592.09	$7,536,144.63	January 31, 20016	Bid Bond
Waste Management of Canada Corporation	$1,079,343.60	$7,555,405.20	January 31, 20016	Bid Bond
	Pre-bid Estimate		$649,902.00/yr	
	Recommended Amount		$647,650.00/yr	