Report - Executive Policy Committee - September 17, 2003

Item No. 8 Award of Contract for the Mechanical Collection of Solid Wastes from Apartments and Small Commercial Establishments (Area B) - File GL-9

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On September 17, 2003, the Executive Policy Committee concurred in the administrative recommendation and submits the following to Council:

1. That a five (5) year contract for the Mechanical Collection of Solid Wastes from Apartments and Small Commercial Establishments under Tender No. 406-2003 be awarded to International Paper Industries Ltd., the lowest evaluated responsive bidder meeting the specifications in the corrected amount of $410,593.71 per year plus GST.

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

Report - Executive Policy Committee - September 17, 2003

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On September 17, 2003, the Executive Policy Committee concurred in the administrative recommendation and submitted the matter to Council.

Re: AWARD OF CONTRACT FOR THE MECHANICAL COLLECTION OF SOLID WASTES FROM APARTMENTS AND SMALL COMMERCIAL ESTABLISHMENTS (AREA B) - TENDER NO. 406-2003

FOR SUBMISSION TO: THE STANDING POLICY COMMITTEE ON PUBLIC WORKS

ORIGINAL REOPRT SIGNED BY: The Director of the Water and Waste Department

REPORT DATE: August 28, 2003

RECOMMENDATION(S):

That a five year contract for Tender No. 406-2003 be awarded to International Paper Industries Ltd., the lowest evaluated responsive bidder meeting the specifications in the corrected amount of $410,593.71/year plus GST.

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: The term of the contract is from February 1, 2004 to January 31, 2009.

Policy Implications

X	No
	Yes - 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: Funds for this work are included every year in the Annual Current Estimates.

REPORT

REASON FOR THE REPORT:

The award of a multi-year contract must be authorized by Council in accordance with Section 8(e) of the City of Winnipeg Purchasing Policy, which states that a recommendation shall be forwarded to Council for funding the difference between budgetary provision and the consideration for the proposed contract.

HISTORY:

Funds for this work are included every year in the Annual Current Estimates for Multi-Family Refuse Collection North, Account Distribution No. 001 524043 201962.

DISCUSSION:

The work of this contract consists of providing regular garbage collection services to apartment and small commercial premises that utilize authorized metal containers suitable for front-loading overhead, or roll-off garbage collecting vehicles within the Northwest sector of the City of Winnipeg as envisioned by Clause 7(a)iii of the Solid Waste By-law.

Tenders closed on August 22, 2003, with bids being received as follows:

International Paper Industries Ltd.	$410,593.71/year*
Canadian Waste Services	$412,417.00/year
Serpreco Systems Ltd. d.b.a Haulrite Environmental	$449,199.40/year
BFI Canada Inc.	$458,989.19/year

*Corrected amount due to a mathematical error.

At the tender opening it was noted that International Paper Industries Ltd. had submitted additional organizational information with their bid. Upon review of this information it was determined that the additional information submitted was not in violation of the tender documents and that the bid submitted was responsive.

Staff of the Solid Waste Division are satisfied that the low tenderer 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 Management Division has advised that each of the tender submissions was accompanied by a certified cheque or a bid bond and an agreement to bond, which have been certified by the Legal Services Division.

The tender recommended for acceptance is the low bid meeting all requirements of the specifications. This offer is open for acceptance until November 5, 2003 .

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 28, 2003

Project Name:

First Year of Program **2004**

MECHANICAL COLLECTION OF SOLID WASTES FROM APARTMENTS AND SMALL COMMERCIAL ESTABLISHMENTS (AREA B) - TENDER NO. 406-2003

	2004	2005	2006	2007	2008
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	$ 403,056	$ 451,832	$ 465,385	$ 479,347	$ 493,728
Less: Incremental Revenue/Recovery	-	-	-	-	-
Net Cost/(Benefit)	$ 403,056	$ 451,832	$ 465,385	$ 479,347	$ 493,728
Less: Existing Budget Amounts	403,056	451,832	465,385	479,347	493,728
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments: This is a five year contract with funds included in the annual Current Estimates. The price per year for 2005 to 2009 has been increased by an estimated amount of 3% per year to account for the Consumer Price Index as stated in Clause E6 of the tender documents.

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Moira L. Geer C.A.
Manager of Finance & Administration

IN PREPARING THIS REPORT THERE WAS CONSULTATION WITH AND CONCURRENCE BY:

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

THIS REPORT SUBMITTED BY:

Water and Waste Department
Engineering Division
Prepared by: John Elias, C.E.T.
Processed by: Shirley Teranishi
File No. G/92

JE:lc

Attachment

c: Manager of Legal Services/City Solicitor, Corporate Services Department
Manager of Materials, Corporate Finance Department
S. Cechvala, Finance and Administration, Water and Waste Department
J. Elias, C.E.T., Water and Waste Department

THE CITY OF WINNIPEG
WATER AND WASTE DEPARTMENT

TENDER TABULATION

FOR

MECHANICAL COLLECTION OF SOLID WASTES FROM APARTMENTS AND SMALL COMMERCIAL ESTABLISHMENTS (AREA B)

Tender No. 406-2003 **File No. WW/G/92**

Tenderer	Total Tendered Price	Completion Date	Deposit	Remarks
International Paper Industries Ltd.	$410,593.71/year*	January 31, 2009	Bid Bond	
Canadian Waste Services	$412,417.00/year	January 31, 2009	Bid Bond	
Serpreco Systems Ltd. d.b.a Haulrite Environmental	$449,199.40/year	January 31, 2009	Certified Cheque	
BFI Canada Inc.	$458,989.19/year	January 31, 2009	Bid Bond	

*Corrected amount due to a mathematical error.

Pre-tender Estimate	$451,355.00/year
Recommended Amount	$410,593.71/year