Minutes – Executive Policy Committee – July 5, 2017

Report – Standing Policy Committee on Water and Waste, Riverbank Management and the Environment – June 29, 2017

Item No. 2 Award of Contract for Collection of Large Items (Bulky Waste) and Abandoned Large Items (Bulky Waste)

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

The Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Water and Waste, Riverbank Management and the Environment and submitted the following to Council:

1. That the award of contract for Materials Management Reference No. 62-2017 to Waste Connections of Canada Inc. (formerly known as Progressive Waste Solutions Canada Inc.) for Collection of Large Items (Bulky Waste) and Abandoned Large Items (Bulky Waste) for a one year period beginning October 1, 2017 and ending September 30, 2018 in the total estimated amount of $882,031.98, GST and MRST extra as applicable in accordance with this report, to ensure continuity of Large Items (Bulky Waste) and Abandoned Large Items (Bulky Waste) collection, be approved.

2. That, subject to the approval under recommendation 1, the Chief Administrative Officer award the contract to Waste Connections of Canada Inc. (formerly known as Progressive Waste Solutions Canada Inc.) for Collection of Large Items (Bulky Waste) and Abandoned Large Items (Bulky Waste) for a one year period beginning October 1, 2017 and ending September 30, 2018 in the total estimated amount of $882,031.98, GST and MRST extra as applicable.

3. That authority be delegated to the Chief Administrative Officer to negotiate and approve the terms and conditions of the contract for the provision of services to collect Large Items (Bulky Waste) and Abandoned Large Items (Bulky Waste) from entitled properties and the Ancillary Agreements, in accordance with this report and such other terms and conditions deemed necessary by the City Solicitor/Director of Legal Services to protect the interests of the City.

4. That the City enter into, execute and deliver a contract for the provision of services to collect Large Items (Bulky Waste) and Abandoned Large Items (Bulky Waste) from entitled properties with Waste Connections of Canada Inc. (formerly known as Progressive Waste Solutions Canada Inc.) and such other agreements as determined necessary by the City Solicitor / Director of Legal Services to implement the intent of the foregoing (the “Ancillary Agreements”).

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

Report – Standing Policy Committee on Water and Waste, Riverbank Management and the Environment – June 29, 2017

DECISION MAKING HISTORY:

Moved by Councillor Mayes,

That the recommendation of the Standing Policy Committee on Water and Waste, Riverbank Management and the Environment be concurred in and forwarded to Council.

Carried

STANDING COMMITTEE RECOMMENDATION:

On June 29, 2017, the Standing Policy Committee on Water and Waste, Riverbank Management and the Environment concurred in the recommendation of the Winnipeg Public and submitted the matter to the Executive Policy Committee and Council.

ADMINISTRATIVE REPORT

Title: **AWARD OF CONTRACT FOR COLLECTION OF LARGE ITEMS (BULKY WASTE) AND ABANDONED LARGE ITEMS (BULKY WASTE) MATERIALS MANAGEMENT REFERENCE NO. 62-2017**

Critical Path: **The Standing Policy Committee on Water and Waste, Riverbank Management and the Environment, Executive Policy Committee, Council**

AUTHORIZATION

Author	Department Head	CFO	CAO
Daryl Doubleday, Manager of Solid Waste Services	G. K. Patton, P. Eng. Acting Director, Water and Waste Department	M. Ruta	D. McNeil

EXECUTIVE SUMMARY

On April 19, 2017, Executive Policy Committee approved a single source negotiation with Halton Recycling Ltd. dba Emterra Environmental, Waste Connections of Canada Inc. (formally Progressive Waste Solutions Canada Inc.)., Miller Waste Systems Inc., and GFL Environmental Inc., respectively, concerning provision of services to collect Large Items (Bulky Waste) and Abandoned Large Items (Bulky Waste) from entitled properties for a one year period beginning October 1, 2017 and ending September 30, 2018.

This report is for the award of a contract to Waste Connections of Canada Inc. (formerly known as Progressive Waste Solutions Canada Inc.) for the Collection of Large Items (Bulky Waste) and Abandoned Large Items (Bulky Waste) for a one year period beginning October 1, 2017 and ending September 30, 2018. The Work shall be done on an “as directed” basis during the term of the Contract.

The procurement is through the Single Source Negotiation process. As per Executive Policy Committee approval dated April 19, 2017, four contractors were invited to submit bids for the work of this contract. This collection service is financed from the annual Current Operating Budget for Bulky Waste Collection and is included in the Annual Current Estimates.

RECOMMENDATIONS

1. That Council approve the award of contract for Materials Management Reference No. 62-2017 to Waste Connections of Canada Inc. (formerly known as Progressive Waste Solutions Canada Inc.) for Collection of Large Items (Bulky Waste) and Abandoned Large Items (Bulky Waste) for a one year period beginning October 1, 2017 and ending September 30, 2018 in the total estimated amount of $882,031.98, GST and MRST extra as applicable in accordance with this report, to ensure continuity of Large Items (Bulky Waste) and Abandoned Large Items (Bulky Waste) collection.

2. That, subject to the approval under recommendation 1, the Chief Administrative Officer award the contract to Waste Connections of Canada Inc. (formerly known as Progressive Waste Solutions Canada Inc.) for Collection of Large Items (Bulky Waste) and Abandoned Large Items (Bulky Waste) for a one year period beginning October 1, 2017 and ending September 30, 2018 in the total estimated amount of $882,031.98, GST and MRST extra as applicable.

3. That authority be delegated to the Chief Administrative Officer to negotiate and approve the terms and conditions of the contract for the provision of services to collect Large Items (Bulky Waste) and Abandoned Large Items (Bulky Waste) from entitled properties and the Ancillary Agreements, in accordance with this report and such other terms and conditions deemed necessary by the City Solicitor/Director of Legal Services to protect the interests of the City.

4. That the City enter into, execute and deliver a contract for the provision of services to collect Large Items (Bulky Waste) and Abandoned Large Items (Bulky Waste) from entitled properties with Waste Connections of Canada Inc. (formerly known as Progressive Waste Solutions Canada Inc.) and such other agreements as determined necessary by the City Solicitor / Director of Legal Services to implement the intent of the foregoing (the “Ancillary Agreements”).

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

REASON FOR THE REPORT

As the total conditional amount to be paid by the City pursuant to the contract to Waste Connections of Canada Inc. affects yearly budgets not yet approved by Council, Council approval is required. As per Section 288(2) of the City of Winnipeg Charter, Council has the authority to authorize expenditures before the operating or capital budget of a fiscal year is adopted.

The total conditional amount to be paid by the City pursuant to the contract is estimated to be approximately $882,031.98, GST and MRST extra as applicable for the one year period from October 1, 2017 to September 30, 2018. Upon authorization from Council for expenditures before the operating or capital budget of a fiscal year is adopted, the Chief Administrative Officer may award the contract under the authority delegated pursuant to the Materials Management Policy.

IMPLICATIONS OF THE RECOMMENDATIONS

Funding for this project for the 2017 year is available from the approved in the Current Account No. 001 521092 201962 999, and is forecast in the 2018 Budget.

HISTORY / DISCUSSION

On December 14, 2016, Council approved and directed the Winnipeg Public Service to undertake all things necessary to bring the collection into the Winnipeg Public Service with enough flexibility to allow environmental efforts from organizations for specific types of bulky waste. Council also directed the Winnipeg Public Service to report back to Council (through the appropriate Standing Policy Committee) for consideration prior to February 2017 with a plan that includes the results and costs from the analysis, timeline and process currently ongoing.

To ensure the continuation of service of the collection of Large Items (Bulky Waste) and Abandoned Large Items (Bulky Waste) beyond September 30, 2017 (the end dates of the current service contracts), external services must be procured on a single source basis for an October 1, 2017 start date.

On April 19, 2017, Executive Policy Committee approved a single source negotiation with Halton Recycling Ltd. dba Emterra Environmental, Waste Connections of Canada Inc. (formerly known as Progressive Waste Solutions Canada Inc.), Miller Waste Systems Inc., and GFL Environmental Inc., respectively, concerning provision of services to collect Large Items (Bulky Waste) and Abandoned Large Items (Bulky Waste) from entitled properties for a one year period beginning October 1, 2017 and ending September 30, 2018, with the option of one (1) mutually agreed upon one (1) year extension for the period October 1, 2018 to September 30, 2019, to ensure continuity of Large Items (Bulky Waste) and Abandoned Large Items (Bulky Waste) collection service after the end of the existing collection contracts, pursuant to B4.1 (e) of the Materials Management Policy, where the cost of solicitation of competitive offers at this time is reasonably anticipated to exceed the benefits thereof, be approved.

The work to be done under the contract includes the Collection and Delivery of Large Items (Bulky Waste), Abandoned Large Items (Bulky Waste), Recycling Depot Collection, and the performance of Extra Work, within the City of Winnipeg, for entities entitled to such services as governed by the Solid Waste By-law.

Under this Contract, the Collection and Delivery of Large Items (Bulky Waste), Abandoned Large Items (Bulky Waste), Recycling Depot Collection, and the performance of Extra Work as a whole, shall commence on October 1, 2017 and continue until September 30, 2018, with the option of one (1) mutually agreed upon one (1) year extension.

The Single Source Negotiations and subsequent modified competition closed on May 16, 2017, with bids being received as follows:

Waste Connections of Canada Inc. (formerly known as Progressive Waste Solutions Canada Inc.)	$ 882,031.98
Halton Recycling Ltd. dba Emterra Environmental	$1,625,376.00
Miller Waste Systems Inc.	$1,521,323.58

GFL Environmental Inc. did not submit a bid.

The Water and Waste Department is 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 recommended Contractor has a workplace safety and health program meeting the requirements of The Workplace Safety and Health Act (Manitoba), as confirmed in a letter dated May 23, 2017, from an independent reviewer acceptable to the City.

The bid recommended for acceptance is the low bid meeting all requirements of the specifications. This offer is open for acceptance until September 23, 2017

FINANCIAL IMPACT

Financial Impact Statement

Date: May 25, 2017

Project Name:

First Year of Program **2017**

AWARD OF CONTRACT FOR COLLECTION OF LARGE ITEMS (BULKY WASTE) AND ABANDONED LARGE ITEMS (BULKY WASTE)
MATERIALS MANAGEMENT REFERENCE NO. 62-2017

	2017	2018	2019	2020	2021
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	$ 220,508	$ 661,524	$ -	$ -	$ -
Less: Incremental Revenue/Recovery	-	-	-	-	-
Net Cost/(Benefit)	$ 220,508	$ 661,524	$ -	$ -	$ -
Less: Existing Budget Amounts	220,508	661,524	-	-	-
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments: Funds for the 2017 year for this work are included in the Annual Current Estimates Account No. 001 521092 201962 999 Bulky Waste Collection, and forecast in the 2018 Budget.

"Original signed by L. Szkwarek, CPA, CGA"
Lucy Szkwarek, CPA, CGA
Acting Manager of Finance and Administration

CONSULTATION

In preparing this report there was consultation with:

Materials Management, Corporate Finance Department
Legal Services Department (as to legal issues)

OURWINNIPEG POLICY ALIGNMENT

Waste Collection Services are consistent with:

1. Section 02-02 Sustainable Infrastructure Strategy – *"…consider long-term economic viability and community wellness, innovative approaches to infrastructure delivery…"*

By providing a reliable collection system that operates with minimal service deficiencies, the collection of bulky waste materials will be maintained with minimal disruption to the resident and minimal negative effect on the environment.

SUBMITTED BY

Department: Water and Waste
Division: Solid Waste Services
Prepared by: K. Fargher
Date: May 30, 2017
File No.: G-228

c: Director of Legal Services/City Solicitor, Legal Services Department (email**)**
Manager of Materials, Corporate Finance Department (email)
WWD-Report-Processor (email)
L. Toews, Water and Waste Department (email)