

Minutes – Executive Policy Committee – September 21, 2020

Report – Standing Policy Committee on Water and Waste, Riverbank Management and the Environment – September 14, 2020

Item No. 2 Award of Contract for Front Load Collection of Solid Waste from Multi-Family Dwellings and Other Establishments in the East Area of the City – Tender No. 390-2020

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

The Executive Policy Committee concurred in the recommendation of the Winnipeg Public Service and submitted the following to Council:

1. That the City award, enter into, execute and deliver a Contract for the front load collection of solid waste from multi-family dwellings and other establishments in the East area of the City of Winnipeg, for the period of November 1, 2020 to October 31, 2027 with GFL Environmental Inc. in the estimated amount of \$5,704,913.17 (annual inflation adjustment of 5% applied) based on an estimated corrected annual amount of \$700,676.40, GST and MRST extra as applicable, and such other agreements as determined necessary by the Director of Legal Services and City Solicitor to implement the intent of the foregoing (the “Ancillary Agreements”).
2. That authority be delegated to the Chief Administrative Officer to negotiate and approve the terms and conditions of Contract for front load collection of solid waste from multi-family dwellings and other establishments in the East area of the City of Winnipeg, for the period of November 1, 2020 to October 31, 2027 with GFL Environmental Inc. and the Ancillary Agreements, in accordance with this report and such other terms and conditions deemed necessary by the Director of Legal Services and City Solicitor to protect the interests of the City.
3. That the Proper Officers of the City do all things necessary to implement the foregoing.

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DECISION MAKING HISTORY:

Moved by Councillor Rollins,

That Rule 10(3) of The Procedure By-law No. 50/2007 be suspended in order that the following item, which was received less than four business days preceding the committee meeting, be considered by Committee.

Carried

Moved by Councillor Mayes,

That the recommendation of the Winnipeg Public Service be concurred in and forwarded to Council.

Yea:	Bowman, Allard, Browaty, Gillingham, Gilroy, Mayes, Rollins	7
Nay:		0

Carried

On September 14, 2020, due to a tie vote, the Standing Policy Committee on Water and Waste, Riverbank Management and the Environment submitted the matter to Executive Policy Committee and Council without recommendation.

ADMINISTRATIVE REPORT

Title: AWARD OF CONTRACT FOR FRONT LOAD COLLECTION OF SOLID WASTE FROM MULTI-FAMILY DWELLINGS AND OTHER ESTABLISHMENTS IN THE EAST AREA OF THE CITY OF WINNIPEG
TENDER NO. 390-2020

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
M. Gordichuk, CCLP, Manager of Solid Waste Services	M. L. Geer, CPA, CA, Director, Water and Waste Department	P. Olafson, Interim CFO	D. Wardrop, Acting Interim CAO

EXECUTIVE SUMMARY

This report is for the award of a contract to GFL Environmental Inc. for the front load collection of solid waste from multi-family dwellings and other establishments in the East area of the City of Winnipeg for the period of November 1, 2020 to October 31, 2027. The procurement is through the Tender process. This project is financed from the approved 2020 Current Budget for Garbage Collection, 001-5XXXXX-201966-999. The recommendation of this report is compliant with the Materials Management Policy and applicable trade agreements.

RECOMMENDATIONS

1. That the City award, enter into, execute and deliver a Contract for the front load collection of solid waste from multi-family dwellings and other establishments in the East area of the City of Winnipeg, for the period of November 1, 2020 to October 31, 2027 with GFL Environmental Inc. in the estimated amount of \$5,704,913.17 (annual inflation adjustment of 5% applied) based on an estimated corrected annual amount of \$700,676.40, GST and MRST extra as applicable, 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").
2. That authority be delegated to the Chief Administrative Officer to negotiate and approve the terms and conditions of Contract for front load collection of solid waste from multi-family dwellings and other establishments in the East area of the City of Winnipeg, for the period of November 1, 2020 to October 31, 2027 with GFL Environmental Inc. 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.
3. That the Proper Officers of the City do all things necessary to implement the foregoing.

REASON FOR THE REPORT

The award of a multi-year contract greater than \$5M for which there are not yet funds approved by Council must be authorized by Council in accordance with Section B8.2.2. of the City of Winnipeg Materials Management Policy, which states that the appropriate Standing Committee shall forward a recommendation to Council including where appropriate, a recommendation for funding the difference between the budgetary provision and the monetary consideration to be paid by the City pursuant to the proposed contract.

IMPLICATIONS OF THE RECOMMENDATIONS

Funding for this project is available from the approved Current Budget for Garbage Collection – Services – 001-5XXXXX-201966-999.

HISTORY / DISCUSSION

The work of this contract consists of front load collection of solid waste from multi-family dwellings and other establishments in the East area of the City of Winnipeg.

The Tender closed on July 8, 2020, with bids being received as follows:

	Annual Bid Price	Bid Responsive
<u>GFL Environmental Inc.</u>	<u>\$ 700,676.40</u>	Yes
Waste Connections of Canada	\$ 889,159.62	Yes
Miller Waste Systems Inc.	\$ 1,054,220.08	Yes
Omar's Environmental Ltd.	\$ 1,167,956.95	Yes
Halton Recycling Ltd. (dba Emterra Environmental)	\$ 1,712,858.37	Yes

Note: all prices are based on the annual bid price, not including inflationary adjustments.

Pre-bid Estimate \$1,200,000.00 (annually)

Solid Waste Services 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 recommended Contractor has a Certificate of Recognition (COR) provided by the Construction Safety Association of Manitoba, Certification No. 95906-16.

The requirements for Bid Security and the execution of a formal contract were waived for this purchase in accordance with the authority delegated to the Manager of Materials pursuant to Administrative Standard FM-002.

The bid recommended for acceptance is the low bid meeting all requirements of the specifications. This offer is open for acceptance until November 5, 2020.

FINANCIAL IMPACT**Financial Impact Statement**Date: **July 27, 2020****Project Name:****First Year of Program 2020**

**AWARD OF CONTRACT FOR FRONT LOAD COLLECTION OF SOLID WASTE FROM MULTI-FAMILY DWELLINGS AND OTHER ESTABLISHMENTS IN THE EAST AREA OF THE CITY OF WINNIPEG
TENDER NO. 390-2020**

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
<u>Capital</u>					
Capital Expenditures Required	\$ -	\$ -	\$ -	\$ -	\$ -
Less: Existing Budgeted Costs	-	-	-	-	-
Additional Capital Budget Required	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>Funding Sources:</u>					
Debt - Internal	\$ -	\$ -	\$ -	\$ -	\$ -
Debt - External	-	-	-	-	-
Grants (Enter Description Here)	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other - Enter Description Here	-	-	-	-	-
Total Funding	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Additional Capital Budget Required	<u>\$ -</u>				
Total Additional Debt Required	<u>\$ -</u>				
<u>Current Expenditures/Revenues</u>					
Direct Costs	\$ 116,780	\$ 706,515	\$ 741,842	\$ 778,934	\$ 817,880
Less: Incremental Revenue/Recovery	-	-	-	-	-
Net Cost/(Benefit)	<u>\$ 116,780</u>	<u>\$ 706,515</u>	<u>\$ 741,842</u>	<u>\$ 778,934</u>	<u>\$ 817,880</u>
Less: Existing Budget Amounts	116,780	706,515	741,842	778,934	817,880
Net Budget Adjustment Required	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Additional Comments: Contract costs have been built into the Department's future operating budgets. The contract is subject to an annual inflation adjustment as per Bid Op No. 390-2020 (not to exceed a 5% increase). The maximum contract amount for the period of November 1, 2020 to October 31, 2027 is estimated at \$5,704,913.17 assuming 5% annual inflation. Funds are budgeted in the operating accounts Garbage Collection Account Distribution No. 001 5XXXXX 201966 999.					

"Original signed by L. Szkwarek, CPA, CGA"

Lucy Szkwarek, CPA, CGA

Manager of Finance and Administration

CONSULTATION

In preparing this report there was consultation with:

Legal Services Department (as to legal issues)

OURWINNIPEG POLICY ALIGNMENT

This report is in accordance with the OurWinnipeg policies through ensuring that solid waste services are delivered in a manner that is consistent with Provincial regulations.

OurWinnipeg Reference: Solid Waste Management

WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

N/A

SUBMITTED BY

Department: Water and Waste
Division: Solid Waste Services
Prepared by: Sam Brask
Date: July 27, 2020
File No.: G-105

c: Director of Legal Services/City Solicitor, Legal Services Department (email)
Manager of Materials, Corporate Finance Department (email)
WWD-Report-Processor (email)
M. Bunkowsky, Water and Waste Department (email)
B. Barton, Water and Waste Department (email)