Minutes – Executive Policy Committee – April 21, 2021

REPORTS

Item No. 13 Single Source Negotiation and Award of Contract for Professional Consulting Services for a Cost Estimate for an Organic Waste Processing Facility – Materials Management Reference No. 233-2021

EXECUTIVE POLICY COMMITTEE DECISION:

The Executive Policy Committee concurred in the recommendation of the Winnipeg Public Service:

1. That single source negotiations be approved for, and that the City award, enter into, execute and deliver, a contract with HDR Corporation to provide Professional Consulting Services for the review and evaluation of organic waste processing facility options for the City of Winnipeg at an estimated cost of $160,000.00, GST and MRST extra as applicable.

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

DECISION MAKING HISTORY:

Moved by Councillor Mayes,

That the recommendation of the Winnipeg Public Service be concurred in.

Yea:	Bowman, Allard, Gillingham, Gilroy, Mayes, Rollins	6
Nay:	Browaty	1

Carried

ADMINISTRATIVE REPORT

Title: **SINGLE SOURCE NEGOTIATION AND AWARD OF CONTRACT FOR PROFESSIONAL CONSULTING SERVICES FOR A COST ESTIMATE FOR AN ORGANIC WASTE PROCESSING FACILITY MATERIALS MANAGEMENT REFERENCE NO. 233-2021**

Critical Path: **Executive Policy Committee**

AUTHORIZATION

Author	Department Head	CFO	CAO
M. Gordichuk, CCLP Manager of Solid Waste Services	M. L. Geer, CPA, CA, Director, Water and Waste Department	C. Kloepfer	M. Ruta, Interim CAO

EXECUTIVE SUMMARY

This report is for the award of a contract to HDR Corporation for the review and evaluation of organic waste processing facility options for the City of Winnipeg. This work will include an estimate of probable costs for organic waste processing facilities that will be included in the final report to Council in Q1 2023 regarding the overall residential food waste (RFW) collection pilot project. The original procurement was through the Request for Proposal (RFP) process. As there were no proposals received for RFP No. 773-2020 (Professional Consulting Services for a Cost Estimate for an Organic Waste Processing Facility), the Department is seeking approval through the Single Source Negotiation and Award process for this work which is time-sensitive as it was part of the Provincial funding approved by Council on November 26, 2020. This capital project is financed from the approved 2020 Capital Budget for CIWMS – Source Separated Organics, Curbside Pilot project.

The Recommendations included in this Report complies with the requirements of the various trade agreements and the City's Materials Management Policy. Further details are provided in the History/Discussion Section.

RECOMMENDATIONS

1. That single source negotiations be approved for, and that the City award, enter into, execute and deliver, a contract with HDR Corporation to provide Professional Consulting Services for the review and evaluation of organic waste processing facility options for the City of Winnipeg at an estimated cost of $160,000.00, GST and MRST extra as applicable.

2. 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

The Executive Policy Committee has the delegated authority to award contracts for Professional Consulting Services exceeding $75,000.00 and there are sufficient funds in an approved budget, on a single source basis pursuant to Administrative Standard No. FM-002.

Pursuant to B1.1 of Administrative Standard FM-002, where no proposals are received for a particular Request for Proposal and the estimated contract value exceeds $75,000.00, the Executive Policy Committee may authorize a single source award in the best interest of the City.

IMPLICATIONS OF THE RECOMMENDATIONS

Funds in the amount of $2,100,000.00 are included in the approved 2020 Capital Budget for CIWMS – Source Separated Organics, Curbside Pilot, Account Distribution No. 445 181000 200753 2065000920 Exconsult.

HISTORY/DISCUSSION

On November 26, 2020, Council approved the acceptance of funding from the Government of Manitoba, Conservation and Climate, for up to a maximum amount of $300,000.00 to support supplementary components of the Residential Food Waste Collection Pilot Project.

The City promptly developed a supplementary scope of work to the RFW collection pilot project consisting of professional consulting services for the review and evaluation of organic waste processing facility options for the City. The work will include an estimate of probable costs for organic waste processing facilities that will be reported to Council in Q1 2023 regarding the RFW collection pilot project.

A RFP for Professional Consulting Services for a Cost Estimate for an Organic Waste Processing Facility was issued on December 14, 2020, and closed on January 18, 2021, with no proposals being received.

The Department subsequently contacted four consulting firms that were considered potential respondents to the RFP in an attempt to understand why no proposals were received. The Department believes that the timing of the RFP issuance (over the holiday season) in combination with other municipalities issuing RFPs seeking similar professional services over the same time period limited the consulting market's interest in the City's RFP. In addition, the technical experience requested from consultants was extensive and specific, further limiting the list of potential respondents to RFP No. 773-2020.

The work of this contract is time sensitive due to the provincial funding requirement. It is noted that the essence of this contract is to update information previously developed by HDR Corporation for the City in response to RFP No. 1055-2014 (Request for Proposal for Professional Consulting Services for an Organics Diversion Strategy and Waste Characterization for the City of Winnipeg).

The Department approached HDR Corporation for a single source contract as they have the experience and in-depth knowledge of the related work from RFP No. 1055-2014 and they

provided a proposal (see Appendix A). The cost is estimated to be $160,000.00, GST and MRST extra as applicable.

The Department considers this cost fair and reasonable. The contract will be awarded by Letter of Award (Single Source for consultants) and the City of Winnipeg's General Conditions for Consultant Services are applicable to this work.

It is recommended that a contract for Professional Consulting Services for a Cost Estimate for an Organic Waste Processing Facility be awarded as a single source contract to HDR Corporation at an estimated cost of $160,000.00, GST and MRST extra as applicable.

Solid Waste Services of this Department are satisfied that HDR Corporation has the necessary skills and resources to satisfactorily complete the work and they have satisfactorily completed the previous related works in RFP No. 1055-2014.

As this is a consultant contract, the Manager of Materials has waived the requirements for bid and performance security.

This procurement is subject to the New West Partnership Trade Agreement ("NWPTA") and the Canadian Free Trade Agreement ("CFTA"). The procurement is not subject to the Comprehensive Economic and Trade Agreement as the value of the procurement does not exceed the applicable threshold.

Article 513.1(a) of CFTA permits single source procurement when no suppliers have satisfied the conditions for participation, provided that the requirements of the tender document are not substantially modified.

The work of the contract will not be substantially modified from the requirements of Request for Proposal No. 773-2020 - Professional Consulting Services for a Cost Estimate for an Organic Waste Processing Facility.

Article V(C)(2)(l) of NWPTA permits single source procurement in the absence of receipt of any bids in response to a call for tenders, provided that the single source procurement is not being used by the procurer to avoid competition, discriminate between suppliers, or protect its suppliers.

The financial status of the CIWMS – Source Separated Organics, Curbside Pilot project is as follows:

Authorized Capital		$ 2,100,000.00
Amount of Previous Awards or Expenditures	$ 1,139,733.36	
Amount of this Award	$ 160,000.00	
Total Estimated Cost	$ 1,299,733.36	$ 1,299,733.36
Estimated Residual for Remaining Projects		$ 800,266.64

FINANCIAL IMPACT

Financial Impact Statement

Date: March 23, 2021

Project Name:

First Year of Program **2021**

SINGLE SOURCE NEGOTIATION AND AWARD OF CONTRACT FOR PROFESSIONAL CONSULTING SERVICES FOR A COST ESTIMATE FOR AN ORGANIC WASTE PROCESSING FACILITY

MATERIALS MANAGEMENT REFERENCE NO. 233-2021

	2021	2022	2023	2024	2025
Capital					
Capital Expenditures Required	$ 160,000	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	160,000	-	-	-	-
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	$ -	$ -	$ -	$ -	$ -
Less: Incremental Revenue/Recovery	-	-	-	-	-
Net Cost/(Benefit)	$ -	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts	-	-	-	-	-
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments: Funds for this project are included in the approved Capital Budget for CIWMS – Source Separated Organics, Curbside Pilot, Account Distribution No. 445 181000 200753 2065000920. This project is financed from the Waste Diversion Reserve.

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

Lucy Szkwarek, CPA, CGA
Manager of Finance and Administration

js/bah
16-Mar-21

CONSULTATION

This Report has been prepared in consultation with:

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

OURWINNIPEG POLICY ALIGNMENT

OurWinnipeg Reference: Environment

WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

This project will align with the Strategic Opportunity #6 Waste Reduction and Diversion found on page 50 of the Climate Action Plan approved by Council on September 20, 2018.

Key Direction and Actions 6.1 Reduce Consumption and Increase Waste Diversion from Residential, Commercial and Industry:

- Implement direction from the Comprehensive Integrated Waste Management Strategy to advance the priority of organic material diversion from the landfill (Short Term 2018-2022)
- Continue to invest in educational and awareness programming to help maximize waste diversion (i.e. recycling and organics) (Short Term 2018-2022)
- Advance strategies and pilot projects to diver and utilize biomass resources for energy production (Medium Term 2022-2026)
- Explore feasibility of rationalizing waste management facilities and services with regional partners to better manage waste, reduce emissions and increase diversion (Medium Term 2022-2026)

SUBMITTED BY

Department: Water and Waste
Division: Solid Waste Services
Prepared by: Ash Raichura, P. Eng.
Date: March 30, 2021
File No.: G-271

ATTACHMENTS:

Appendix A – HDR Corporation Proposal