Minutes – Executive Policy Committee – June 17, 2025

Report – Standing Policy Committee on Water, Waste and Environment – June 9, 2025

Item No. 1 Award of Contract for Hourly Rates for Heavy Equipment at the Brady Road Resource Management Facility - Request for Proposal No. 813-2024

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

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

1. That the City award, enter into, execute and deliver a contract for the Hourly Rates for Heavy Equipment at the Brady Road Resource Management Facility with Earth Max Construction Inc., in the estimated annual cost of $2,347,040.00 (annual adjustments apply), GST extra as applicable, for an estimated maximum contract value of $13,617,321.45, GST extra as applicable, for the period of July 1, 2026, to June 30, 2031, on an "as required" basis 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 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, Waste and Environment – June 9, 2025

DECISION MAKING HISTORY:

Moved by Councillor Eadie,

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

Carried

STANDING COMMITTEE RECOMMENDATION:

On June 9, 2025, the Standing Policy Committee on Water, Waste and Environment concurred in the recommendation of the Winnipeg Public Service and submitted the matter to the Executive Policy Committee and Council.

ADMINISTRATIVE REPORT

Title: Award of Contract for Hourly Rates for Heavy Equipment at the Brady Road Resource Management Facility
Request for Proposal No. 813-2024

Critical Path: Standing Policy Committee on Water, Waste and Environment – Executive Policy Committee – Council

AUTHORIZATION

Author	Department Head	CFO	CAO
M. Gordichuk, CCLP, Manager of Solid Waste Services	T. W. Shanks, M. Eng., P. Eng. Director, Water and Waste Department	T. Graham	M. Dryburgh, Acting Interim CAO

EXECUTIVE SUMMARY

This report is for the award of a contract to Earth Max Construction Inc. for Hourly Rates for Heavy Equipment at the Brady Road Resource Management Facility (BRRMF) in the estimated annual cost of $2,347,040.00 (annual adjustments apply), GST extra as applicable, for an estimated maximum contract value of $13,617,321.45, GST extra as applicable, for the period of July 1, 2026, to June 30, 2031, on an “as required” basis, with the option of two mutually agreed upon one year extensions.

The procurement is through the Request for Proposal (RFP) process. This contract is to be financed from the proposed annual Current Budget for Non-Professional Services and Leaf/Yard Waste Composting. Funding for multi-year operating budgets are incorporated into the 10-year utility rate models. The recommendations of this report are compliant with the Purchasing Policy and applicable trade agreements.

RECOMMENDATIONS

1. That the City award, enter into, execute and deliver a contract for the Hourly Rates for Heavy Equipment at the Brady Road Resource Management Facility with Earth Max Construction Inc., in the estimated annual cost of $2,347,040.00 (annual adjustments apply), GST extra as applicable, for an estimated maximum contract value of $13,617,321.45, GST extra as applicable, for the period of July 1, 2026, to June 30, 2031, on an “as required” basis 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 the Proper Officers of the City be authorized to do all things necessary to implement the foregoing.

REASON FOR THE REPORT

The award of a multi-year contract greater than $10 million 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 Purchasing Policy F1-003, 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

The hired equipment services are required to supplement City forces in maintaining and operating the BRRMF in compliance with Environment Act License No. 3081R.

Funding for this contract will be made available from proposed 2026-2031 annual Current Budgets as follows:

- 90% from Non-Professional Services – Account Distribution No. 445 521020 201904 999.
- 10% from Leaf/Yard Waste Composting – Account Distribution No. 445 521097 201906 999.

HISTORY / DISCUSSION

The work of this contract consists of moving earth, materials, and municipal solid waste within the BRRMF on an “as required” basis, to supplement and complement the required operational activities that are led by City forces, thereby enabling compliance with Environment Act License No. 3081R.

A Request for Proposal (RFP) for Hourly Rates for Heavy Equipment at the Brady Road Resource Management Facility (BRRMF) was advertised on the City of Winnipeg Bid Opportunity Page and the MERX Canadian Public Tenders on February 28, 2025, and closed on March 31, 2025.

A total of nine proposals were received from various contractors.

A selection committee comprised of three representatives from the Solid Waste Services Division reviewed the proposals using the Purchasing Standard Scoring Matrix spreadsheet.

The proposals were rated based on the following criteria, as set out in Section B22 of the RFP:

(a)	Compliance by the Proponent with the requirements of the Request for Proposal or acceptable deviation therefrom	(Pass/fail)
(b)	Qualifications of the Proponent and the Subconsultants, if any, pursuant to B16	(Pass/fail)
(c)	Total Bid Price; (Section B)	40%
(d)	Experience of Proponent and Subconsultant; (Section C)	20%
(e)	Experience of Key Personnel Assigned to the Project; (Section D)	10%
(f)	Project Understanding and Methodology (Section E)	30%

Applying rating criteria defined in the RFP, each member reviewed and scored each proposal independently. The consensus ratings were then calculated and are shown in Table 1 – Summary and Appendix A: Detailed Purchasing Standard Scoring Matrix. The Earth Max Construction Inc. proposal received the highest overall rating of 86.18 out of a maximum of 100.00.

Table 1 - Summary

RFP Evaluation Criteria	Points	Proposals Received								
		Bidder #1	Bidder #2	Earth Max	Bidder #4	Bidder #5	Bidder #6	Bidder #7	Bidder #8	Bidder #9
		$1,966,200	$3,274,600	$2,347,040	$2,482,588	$2,679,740	$2,461,700	$2,451,200	$3,057,912	$2,899,200
Total Bid Price	40.00	40.00	24.02	33.51	31.68	29.35	31.95	32.09	25.72	27.13
Experience of Proponent and Subconsultant	20.00	6.00	0.00	18.00	4.00	12.00	3.00	8.00	11.00	17.00
Experience of Key Personnel Assigned to the Project	10.00	1.00	0.00	9.00	2.00	6.00	4.00	3.00	2.00	7.00
Project Understanding and Methodology	30.00	0.00	0.00	25.67	5.00	27.00	2.50	7.50	8.00	25.00
Total Evaluation Score	**100.00**	**47.00**	**24.02**	**86.18**	**42.68**	**74.35**	**41.45**	**50.59**	**46.72**	**76.13**

Certain information is removed to protect the confidentiality of the Proponents' proposals

Despite the Earth Max Construction Inc. proposal being $380,840 higher than the lowest proposal submitted by Bidder #1, their proposal received the highest rating overall. The following factors that contributed to this include:

Earth Max Construction Inc. – Recommended Proponent

1. Demonstrated good experience in providing planning, operation and construction management services on contracts and projects of similar complexity, scope and value.
2. Provided a proposal that demonstrated a good understanding of the scope of work as outlined in the RFP.
3. Provided considerable insight beyond the information requested in the RFP.

Bidder #1 – Lowest Cost Proponent

Bidder #1 did not receive as high an evaluated score as the recommended proponent for reasons summarized below:

1. Project references did not involve any landfill experience, and very limited construction experience, both of which are significant activities for this contract.
2. Provided experience of several Key Personal proposed for the project with minimal experience for the project requirements.
3. Did not demonstrate a good understanding of the scope of work; information provided was focused on snow clearing activities.

The selection committee concluded that Earth Max Construction Inc. has the necessary skills and resources to satisfactorily complete the work. Key personnel identified in the proposal have in depth knowledge of the Department's operational practices.

The Public Service recommends that a contract for Hourly Rates for Heavy Equipment at the BRRMF be awarded to Earth Max Construction Inc., being the most responsible and qualified Proponent submitting the most advantageous offer to the City, at an estimated annual cost of $2,347,040, GST extra as applicable. The estimated maximum contract value is presented in the table below.

Contract Year (2026 – 2031)	ESTIMATED TOTAL COST (including maximum allowable price adjustments of 5%, on start date and annually thereafter)
1*	$2,464,392.00
2	$2,587,611.60
3	$2,716,992.18
4	$2,852,841.79
5	$2,995,483.88
TOTAL	**$13,617,321.45**

** Prices will be adjusted according to D31.1(e) of the RFP*

The recommended Contractor has a Certificate of Recognition (COR) provided by the Manitoba Heavy Construction Association's WorkSafely Program, Certification No. MH081119E.

The requirements for Bid Securities are waived for this purchase in accordance with the authority delegated to the Manager of Purchasing.

The proposal recommended for acceptance is the highest rated meeting all the requirements of the specifications. This offer is open for acceptance until August 13, 2025.

FINANCIAL IMPACT

Financial Impact Statement

Date: May 5, 2025

Project Name:

AWARD OF CONTRACT FOR HOURLY RATES FOR HEAVY EQUIPMENT AT THE BRADY ROAD RESOURCE MANAGEMENT FACILITY
REQUEST FOR PROPOSAL NO. 813-2024

First Year of Program **2026**

	2026	2027	2028	2029	2030
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	$ 1,232,196	$ 2,526,002	$ 2,652,302	$ 2,784,917	$ 2,924,163
Less: Incremental Revenue/Recovery	-	-	-	-	-
Net Cost/(Benefit)	$ 1,232,196	$ 2,526,002	$ 2,652,302	$ 2,784,917	$ 2,924,163
Less: Existing Budget Amounts	1,232,196	2,526,002	2,652,302	2,784,917	2,924,163
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments: Contract costs have been built into the Department's future operating budgets. The contract is subject to annual maximum allowable price adjustments of 5% as per RFP No. 813-2024. The maximum contract value, excluding extensions, from July 1, 2026 to June 30, 2031 is estimated at $13,617,321.45 assuming max. 5% price adjustments. Funds are budgeted in the amount of 90% or ($12,255,589.30) from the proposed 2026-2031 annual Current Budgets for Non-Professional Services – Account Distribution No. 445 521020 201904 999 and 10% (or $1,361,732.14) from proposed 2026-2031 annual Current Budgets for Leaf/Yard Waste Composting – Account Distribution No. 445 521097 201906 999.

Lucy Szkwarek, FCPA, FCGA

ask/bah
30-Apr-25

Lucy Szkwarek, FCPA, FCGA
Manager of Finance and Administration

CONSULTATION

In preparing this report there was consultation with:

N/A

OURWINNIPEG POLICY ALIGNMENT

This report is in accordance with the OurWinnipeg 2045, Policy 2.16 Waste Minimization, by focusing on avoiding landfill waste rather than waste disposal efficiency.

Objective: Minimize and divert waste from landfill.

WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

This report aligns with the Winnipeg Climate Action Plan through Strategic Opportunity 6: Waste Reduction and Diversion.

WINNIPEG POVERTY REDUCTION STRATEGY ALIGNMENT

Consideration was given as to whether this report connects to the Winnipeg Poverty Reduction Strategy (WPRS) and its Goals and Objectives. It was determined that the WPRS is not applicable to this specific report.

SUBMITTED BY

Department: Water and Waste
Division: Solid Waste Services
Prepared by: Ash Raichura, Project Coordinator
Date: May 12, 2025
File No.: G-255

ATTACHMENTS:

APPENDIX A: Detailed Purchasing Standard Scoring Matrix