



Report

Purchasing Services

Date: July 15, 2020

To: Andrew Allison, Chief Administrative Officer

From: David Ferguson, Purchasing Manager, Purchasing Services

Report#: PS-007-20 **File#:** CL2020-16

Subject: **Waste and Recycling Collection and Disposal
Summer Recess Procedure (Purchasing By-Law 2015-022 S.73)**

Recommendations

It is respectfully recommended to the Chief Administrative Officer the following:

1. That GFL Environmental Inc. with a total bid amount for the initial two year term of \$222,608.56 (Net HST Rebate), and an estimated contract value of \$556,521 (Net HST Rebate) over the potential five-year term, being the lowest compliant bidder bidding all items and meeting all terms, conditions and specifications of Tender CL2020-16 be awarded the contract for the pick-up and disposal of waste and recycling as required by the Municipality;
2. That the funds expended for these services, be funded from respective facilities approved operating budget as required; and
3. That pending satisfactory service and pricing that the Purchasing Manager in consultation with the Acting Director of Operations, the Director of Community Services and the Director of Emergency and Fire Services be authorized to extend the contract for up to three additional one-year terms.

Recommended by:

David Ferguson

David Ferguson,
Manager, Purchasing Services

July 15, 2020

Date

Concurrence:

George Acorn

George Acorn
Director of Community Services

July 16, 2020

Date

S. Brake

Stephen Brake,
Acting Director of Operations

Date

July 20 / 2020

Gord Weir

Gord Weir,
Director of Emergency and Fire Services

Date

July 28 / 20

Trevor Pinn

Trevor Pinn, B.Com, CPA, CA
Director of Finance/Treasurer

July 30, 2020

Date

Approved by:

Andrew Allison

Andrew Allison,
Chief Administrative Officer

August 14, 2020

Date

1. Background

1. Tender specifications for the pick-up and proper disposal of waste and recycling from the municipally owned and operated facilities were prepared by the various departments and provided to the Purchasing Services Division.
2. Tender CL2020-16 was prepared and issued by the Purchasing Services Division and advertised electronically on the Municipality's website. Notification of the availability of the document was also posted on the Ontario Public Buyers Association's website. Twelve companies downloaded the tender document.
3. The Tender closed on May 29, 2020.
4. In view of the Summer Council Recess, authorization is requested to award the above contract in accordance with Purchasing By-Law #2015-022 Part 2 Section 73, Council Recess Procedures.

2. Analysis

5. Twelve companies downloaded the tender document and four submissions were received in response to the tender call. Three bidders priced all the items contained within the tender document. One company priced only two of the nine items. The tender notes that the Municipality intends to award the contract to one bidder, however, the Municipality reserves the right to award the Tender in part or in whole or to split Items specified between one or more bidder.
6. The eight companies who chose not to submit pricing were contacted to ask why they decided not to bid. The responses are as follows:
 - One company was an association for distributing the tender document to its members;
 - One company was a supplier for the containers; and
 - Six company did not respond to our request for information
7. The bids were reviewed and tabulated by the Purchasing Services Division (see Attachment 1).
8. The bid results were forwarded to the Operations Services Department, Community Services Department and Emergency and Fire Services Department for their review and consideration.
9. After review, analysis and discussions the departments mutually agreed that the low bidder bidding all items, GFL Environmental Inc., be recommended for the award of contract CL2020-16.
10. GFL Environmental Inc. has successfully provided similar services to the Municipality of Clarington in the past therefore no reference checks were completed.

3. Financial

12. The annual cost is approximately \$111,304.28 (net HST Rebate). The initial contract term is for two years. The value of the contract for the two-year period is estimated to be \$222,609 (net HST Rebate).
13. Pricing received is firm for the initial contract term of two years.
14. The Municipality has the option to extend the contract for up to three additional one-year terms pending satisfactory service. The tender document stipulates that if the Municipality elects to exercise the option to renew the contract for the additional optional one-year terms, then pricing shall be adjusted only on the anniversary date of the Contract award. Proposed price increases should not exceed the annual percentage change in the most recent issuance of the Consumer Price Index (CPI) All items – Ontario, as issued by the Statistics Canada, and remain firm for the rest of that Contract year. The potential five-year contract value is estimated to be \$556,521 (Net HST Rebate).
15. The expended funds will be drawn from respective facilities approved operating budget.
16. Queries with respect to the department needs should be referred to the respective Department Head.

4. Concurrence

17. This report has been reviewed by the Acting Director of Operations, the Director of Community Services as well as the Director of Emergency and Fire Services concur with the recommendations contained with this report.

5. Conclusion

18. It is respectfully recommended that GFL Environmental Inc. with a total bid amount, for the initial two year term, of \$222,608.56 (Net HST Rebate), being the lowest compliant bid, bidding all items, be awarded the contract for the provision of waste and recycling collection and disposal as per the terms, conditions and specifications of Tender CL2020-16.

Attachments: Attachment 1 – Summary of Bid Results

Attachment #1

Municipality of Clarington

CL2020-16

Waste and Recycling Collection and Disposal

Bid Summary

Annual Cost

BIDDER	Total Bid (including HST)	TOTAL BID (Net HST Rebate)
Waste Connections*	\$38,127.10	\$34,519.07
GFL Environmental Inc.	\$123,706.89	\$111,304.28
U-Pak Disposals (1989) Limited	\$135,424.43	\$119,921.99
Waste Management of Canada Corporation	\$141,424.43	\$127,039.03

* Denotes submission whereby not all categories/items have been bid.

Costs for Initial 2-year contract term.

BIDDER	2-year Total Bid (including HST)	Est 2-year Total Bid (Net HST Rebate)
Waste Connections*	\$76,254.21	\$69,038.14
GFL Environmental Inc.	\$247,413.77	\$222,608.56
U-Pak Disposals (1989) Limited	\$270,848.85	\$239,843.97
Waste Management of Canada Corporation	\$282,572.77	\$254,078.05

* Denotes submission whereby not all categories/items have been bid.