

## **COMMITTEE OF THE WHOLE JUNE 20, 2005**

### **TENDER AWARD - T05-127 MUNICIPAL WASTE COLLECTION SERVICES**

#### **Recommendation**

The Commissioner of Engineering and Public Works, in consultation with the Director of Purchasing Services, recommends:

1. Tender T05-127 for the provision of municipal waste collection services be awarded to Miller Waste Systems, A Division of Miller Paving Limited, at a 5 year price of \$36,438,082.49
2. The Mayor and Clerk be authorized to sign the necessary documents.

#### **Economic Impact**

The existing municipal waste collection contracts expire on December 31, 2005. As the City is entering into a new era of waste management with its "Greening Vaughan" program, it was appropriate to go out to tender for waste collection services in accordance with the phasing of the program.

Due to the phasing of "Greening Vaughan", the individual component costs will fluctuate during the various calendar years. However, based on averaging the total estimated cost over the 5 year period, the annual cost is somewhat less than is currently budgeted for 2005.

As the contract does not commence until January 1, 2006, the funds necessary to provide these services will need to be included in the 2006, and future, Operating Budgets.

#### **Purpose**

To award Tender T05-127 for collection of municipal solid waste.

#### **Background - Analysis and Options**

Tender T05-127 was issued on May 19, 2005. The Tender was comprised of 5 components, with each component being divided into phases to match the "Greening Vaughan" strategy, where applicable. This allowed the contractors to take into account the use of co-collection vehicles in order to adjust their overall prices with each phase of the program.

The 5 components of the contract include:

Garbage collection (including multi-residential buildings)  
Recycling collection (including multi-residential buildings)  
Source Separated Organics collection  
Leaf and Yard Waste collection (including Christmas Trees)  
Large Appliance collection

The Tender was scheduled to close on June 6, 2005, but due to a number of requests from bidders for an extension to the closing date, the closing date was extended 7 days and tenders closed on June 13, 2005.

A total of 10 documents were picked up, and a total of 6 bids were received. Of those received, one bid was disqualified as it did not provide for the requisite Surety Consent Form. The Tender was advertised electronically via the Electronic Tendering Network (Bid Navigator), the Ontario Public Buyers Association, and in the local paper, Vaughan Citizen.

Below is a summary of the bids for the 5 year period, incorporating all aspects of the "Greening Vaughan" strategy.

<b>COMPANY</b>	<b>5 YEAR TOTAL PRICE</b>
Miller Waste Systems A Division of Miller Paving Limited	\$ 36,438,082.49
Waste Services (CA) Inc.	\$ 40,498,200.11
Halton Recycling Ltd.	\$ 48,284,854.84
BFI Canada Inc.	\$ 61,682,236.09
National Waste Services Inc.	\$ 65,943,722.50

The above noted prices include GST.

The contract is for a 5 year period, with a two year extension period, which would be granted at the City's option.

The Tender was based on estimated household counts with bidders providing unit prices for each specific service. As the actual number of households will change over the length of this contract, the final contract value may be higher than the total bid amount of \$36,438,082.49.

Staff have checked the bids for mathematical errors, and have contacted references.

#### **Relationship to Vaughan Vision 2007**

This report is consistent with the priorities previously set by Council, especially in relation to the City's direction with respect to provision of waste management services. Specifically, this report is consistent with Vaughan Vision A - 1 "Pursue Excellence in the Delivery of Core Services", and A - 3 "Safeguard Our Environment".

#### **Conclusion**

Tender T05-127 allows the City to move forward with confidence in implementing its "Greening Vaughan" program, with clear pricing for each phase of the project.

Given the lowest bidder meets the requirements of the contract, and currently perform this type of work in various other municipalities in York Region, it is recommended that Miller Waste Systems, A Division of Miller Paving Limited be awarded tender T05-127 for municipal waste collection, at an estimated contract value of \$36,438,082.49 for a 5 year period, commencing January 1, 2006.

#### **Attachments**

N/A

#### **Report prepared by:**

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Respectfully submitted,

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