



CITY OF RICHMOND

REPORT TO COMMITTEE

TO: Community Safety Committee

To Community Safety - Aug 23, 2001
DATE: August 6, 2001

FROM: Suzanne Bycraft
Manager, Emergency & Environmental Programs

FILE: 6405-07

RE: Award of Tender No. 01-018, Supply and Collection of Garbage Containers

STAFF RECOMMENDATION

1. That Vancouver Regional Co-operative Purchasing Group Tender No. 01-018 for the Supply and Collection of Garbage Containers, for the period September 1, 2001 – August 31, 2004, be awarded to Salish Disposal Ltd. at the unit rates quoted, in the total annual tendered amount of \$124,956.03.
2. That a letter be sent to the Greater Vancouver Regional District Purchasing Department confirming the award of Tender No. 01-018.

Suzanne Bycraft
Manager, Emergency & Environmental Programs

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|---|--------------------------------|
| CONCURRENCE | CONCURRENCE OF GENERAL MANAGER |
| Law Department Y <input checked="" type="checkbox"/> N <input type="checkbox"/> | |

STAFF REPORT

ORIGIN

The City currently contracts to Canadian Waste Services for garbage collection service at City facilities under Contract T.1454. The original term of this contract was December 1, 1997 – December 31, 2000. It was subsequently extended to August 31, 2001 in order to allow the City the opportunity to join a consortium of GVRD member municipalities in anticipation of cost savings.

The regional Tender No. 01-018, which includes Richmond, the GVRD, the City of Vancouver, and the Districts of West Vancouver and Maple Ridge as participants, closed on June 28, 2001. This report provides an analysis of the bids received, and recommends award of Richmond's portion of the tender.

ANALYSIS

The following tenders were received by the Greater Vancouver Regional District Purchasing Department and referred to City of Richmond Purchasing and Environmental Programs Department staff for evaluation.

| Company | Total Annual Tendered Amount | |
|--------------------------|------------------------------|-------------------|
| | Tendered Amount | Corrected Amounts |
| Salish Disposal | \$152,482.07 | \$124,956.03 |
| North West Waste Systems | \$113,934.67 | \$135,575.03 |
| Canadian Waste Services | \$129,068.80 | \$141,757.28 |
| BFI | \$142,427.04 | |
| Super Save Disposal | \$168,750.56 | |
| Smithrite Disposal | \$182,959.30 | |

The corrected amounts shown in the table reflect the adjustments which were necessary to ensure an equal comparison of all the tenders received. In the case of Salish Disposal, the company had misunderstood, and subsequently overestimated, the required number of container dumps in their initial bid. North West Waste Systems and Canadian Waste Services both failed to include costs for all identified items.

These three companies were made of aware of these inconsistencies in their tender, and were provided the opportunity to correct their bid. To maintain the integrity of the bidding process, staff were careful to ensure that unit price information as contained in the bidders' original submissions was not changed as part of this process. Rather, these bidders were required to clarify and undertake the necessary calculations based on unit price information provided in their initial bids in order to ensure their submission was complete and accurate.

Based on the analysis of the bids received, staff recommend that this tender be awarded to Salish Disposal Ltd. While the City has not had previous experience with this company, our evaluation of their references and company history are sufficient to satisfy staff that Salish Disposal is capable of performing the work.

FINANCIAL IMPACT

The total annual value of this contract is \$124,956.03. The contract term is 3 years, with the option to renew for two additional twelve-month periods to a maximum total contract term of 5 years. These costs are reflected in each individual City facility's annual operating budgets.

The tendering of this work resulted in overall annual cost savings of approximately \$30,000 over current costs. While it is not possible to know what the costs would have been had Richmond tendered this work independently, it is reasonable to assume that the collective tendering approach was beneficial for Richmond in this case. The overall savings are in accordance with our initial expectations.

CONCLUSION

The rates tendered by Salish Disposal Ltd. for the supply and collection of garbage containers at City facilities under Tender 01-018 represent the best value to the City for this work. Therefore, it is recommended they be awarded this contract.



Suzanne Bycraft
Manager, Emergency & Environmental Programs



David Phipps
Senior Buyer

SJB: