



City of Richmond

Report to Committee

To: Public Works and Transportation Committee **Date:** August 9, 2005
From: Suzanne Bycraft **File:** 10-6405-07-01/2005-Vol
Manager, Emergency & Environmental 01
Programs
Re: **Award of Tender No. 05-066, Supply and Collection of Garbage Containers**

Staff Recommendation

1. That Vancouver Regional Co-Operative Purchasing Group Tender No. 05-066 for the Supply and Collection of Garbage Containers, for the period November 1, 2005 – October 31, 2008, be awarded as follows:
 - a) Waste Services (CA) Inc. Items 1 and 2 – Corrugated Cardboard and Garbage Containers in the total annual tendered amount of \$62,355.68; and
 - b) Supersave Group Items 3 and 4 – Rental and Roll Off Containers in the total annual tendered amount of \$29,968.56
2. That a letter be sent to the Greater Vancouver Regional District Purchasing Department confirming the award of Tender No. 05-066.

Suzanne Bycraft
Manager, Emergency & Environmental Programs
(3338)

FOR ORIGINATING DIVISION USE ONLY					
ROUTED TO:	CONCURRENCE		CONCURRENCE OF GENERAL MANAGER		
Law.....	Y <input checked="" type="checkbox"/>	N <input type="checkbox"/>			
Purchasing	Y <input checked="" type="checkbox"/>	N <input type="checkbox"/>			
REVIEWED BY TAG	YES	NO	REVIEWED BY CAO	YES	NO
	<input checked="" type="checkbox"/> DW	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>

Staff Report

Origin

The City contracts for garbage collection services at City facilities through a consortium of GVRD member municipalities. This contract expires on October 31, 2005. Subsequently, a new tender was issued. This report presents the results and analysis of the bids received, and recommends award of the tender.

Analysis

The following tenders were received:

Company	Total Annual Tendered Amount		
	Items 1 & 2: Cardboard & Garbage Containers	Items 3 & 4: Rental & Roll-Off Containers	Total
BFI	\$72,068.78	\$34,191.32	\$106,260.10
Waste Services Inc.	\$62,355.68	No Bid	\$62,355.68
Smithrite Disposal	\$134,781.48	\$35,010.40	\$169,791.88
Supersave Group	\$67,320.12	\$29,968.56	\$97,288.68
Maple Leaf Disposal	\$78,076.82	\$23,026.40	\$101,103.22
Waste Management	\$87,313.28	\$35,808.62	\$123,121.90

The tender submissions were split into these two components for evaluation as a result of information provided to Waste Services Inc. by the GVRD that the contract allowed for bidders to Tender on portions of the Tender only. Waste Services Inc. is the low bidder on Items 1 and 2 (Cardboard and Garbage Containers) and is therefore recommended for award of these two components of the work. Waste Services Inc. is the current service provider under the existing tender.

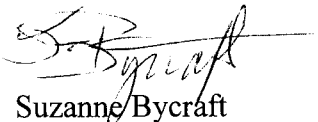
Maple Leaf Disposal was the low bidder on Items 3 and 4 (Rental and Roll-Off Containers). They have, however, formally declined the award and withdrawn their bid on the basis that they do not agree with the interpretation of the tender documents, which permits splitting of the award for the Richmond portions of the contract. They have argued that their tender was prepared on the basis of being awarded all components of the work for Richmond. It would not be cost beneficial to the City to award the entire Richmond portion to Maple Leaf. It is, therefore, recommended that this work be awarded to the next low bidder, Supersave Group. Supersave Group is the current service provider under the existing contract.

Financial Impact

The total combined annual cost of this work is \$92,324.24, which represents a 25% savings over current rates. 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.

Conclusion

The rates quoted by Waste Services Inc. and Supersave Group for the supply and collection of garbage containers at City facilities under Tender No. 05-066 represent the best value to the City for this work. Both companies are the current service providers to the City for this work, and their performance is satisfactory. It is, therefore, recommended they be awarded the work as outlined in this report.



Suzanne Bycraft
Manager, Emergency & Environmental Programs
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SJB: