



**General Purposes Committee
Electronic Meeting**

**Council Chambers, City Hall
6911 No. 3 Road**

**Monday, January 8, 2024
4:00 p.m.**

Pg. # ITEM

MINUTES

GP-3 *Motion to adopt the **minutes** of the meeting of the General Purposes Committee held on December 18, 2023.*



ENGINEERING AND PUBLIC WORKS DIVISION

1. **EXTENSION OF CONTRACT - 6577P - ON-CALL COLLECTION OF HAZARDOUS MATERIALS**
(File Ref. No. 10-6370-01) (REDMS No. 7385204)

GP-6 **See Page GP-6 for full report**

Designated Speaker: Kristina Nishi

STAFF RECOMMENDATION

- (1) *That Contract 6577P – On-call Collection of Hazardous Materials be extended for an additional three-year term, commencing February 1, 2024 with the total contract value of \$1,584,560, split between GFL Environmental Inc. and Secure Energy Services Inc. as described in the report titled “Extension of Contract - 6577P - On-Call Collection of Hazardous Materials”, dated November 28, 2023, from the Director, Public Works Operations;*

General Purposes Committee Agenda – Monday, January 8, 2024

Pg. #

ITEM

- (2) *That the Chief Administrative Officer and the General Manager, Engineering and Public Works be authorized to execute the extension of the contract for a further two-year term, up to a maximum total term of eight years, for the maximum total amount of \$2,288,120, as described in the report titled “Extension of Contract - 6577P - On-Call Collection of Hazardous Materials”, dated November 28, 2023, from the Director, Public Works Operations; and*
- (3) *That the Chief Administrative Officer and the General Manager, Engineering and Public Works be authorized to execute the extension of the contract with GFL Environmental Inc. and Secure Energy Services Inc.*

ADJOURNMENT



General Purposes Committee

Date: Monday, December 18, 2023

Place: Council Chambers
Richmond City Hall

Present: Mayor Malcolm D. Brodie, Chair
Councillor Chak Au
Councillor Carol Day
Councillor Laura Gillanders
Councillor Kash Heed
Councillor Andy Hobbs
Councillor Alexa Loo
Councillor Bill McNulty
Councillor Michael Wolfe

Call to Order: The Chair called the meeting to order at 4:00 p.m.

MINUTES

It was moved and seconded

That the minutes of the meeting of the General Purposes Committee held on December 4, 2023, be adopted as circulated.

CARRIED

ENGINEERING AND PUBLIC WORKS DIVISION

1. **SIDEWALK SNOW REMOVAL HOUSEKEEPING AMENDMENTS TO TRAFFIC BYLAW NO. 5870 AND NOTICE OF BYLAW VIOLATION DISPUTE BYLAW NO. 8122**

(File Ref. No. 10-6000-01) (REDMS No. 7442365)

It was moved and seconded

- (1) *That the Traffic Bylaw No. 5870, Amendment Bylaw No. 10517 be introduced and given first, second and third readings; and*

General Purposes Committee
Monday, December 18, 2023

- (2) *That Notice of Bylaw Violation Dispute Adjudication Bylaw No. 8122, Amendment Bylaw No. 10519, be introduced and given first, second and third readings.*

The question on the motion was not called as in response to queries from Committee staff advised that (i) owners that are new to the bylaw will be first given a warning which will be noted in their prior history, a ticket will be issued for a second time violation, (ii) City Hall is exempt from the bylaw as it is maintained under existing policies or practices, (iii) staff will report back with information on whose responsibility snow removal is when the sidewalk is behind the house backing on to a major arterial road or highway, and there is no access to the property from the sidewalk.

The question on the motion was then called and **CARRIED**.

As a result of the discussion the following **referral** motion was introduced:

It was moved and seconded

That staff review and report back with an analysis, options and approaches for situations where the sidewalk is behind the home and outside the fence.

CARRIED

COMMUNITY SAFETY DIVISION

2. **AMENDMENTS FOR BUILDING REGULATION BYLAW NO.7230, NOTICE OF BYLAW VIOLATION DISPUTE BYLAW NO. 8122, AND MUNICIPAL TICKET INFORMATION AUTHORIZATION BYLAW NO. 7321**

(File Ref. No. 12-8375-01) (REDMS No. 7409592)

It was moved and seconded

- (1) *That Building Regulation Bylaw No.7230, Amendment Bylaw No. 10507, be introduced and given first, second and third readings;*
- (2) *That Notice of Bylaw Violation Dispute Adjudication Bylaw No. 8122, Amendment Bylaw No. 10508, be introduced and given first, second and third readings; and*
- (3) *That Municipal Ticket Information Authorization Bylaw No. 7321, Amendment Bylaw No. 10509, be introduced and given first, second and third readings.*

General Purposes Committee
Monday, December 18, 2023

The question on the motion was not called as in response to queries from Committee staff advised that (i) a \$50,000 fine will be sought through long form prosecution from court action, (ii) escalation of a fine to \$50,000 may be caused by prior violations of a significant volume or a severe or major violation that warranted skipping progressive steps and instead going directly to court, (iii) the proposed increase aligns with the maximum fine amounts of other municipalities.

The question on the motion was then called and **CARRIED**.

ADJOURNMENT

It was moved and seconded
That the meeting adjourn (4:07 p.m.).

CARRIED

Certified a true and correct copy of the Minutes of the meeting of the General Purposes Committee of the Council of the City of Richmond held on Monday, December 18, 2023.

Mayor Malcolm D. Brodie
Chair

Raman Grewal
Legislative Services Associate



City of Richmond

Report to Committee

To: General Purposes Committee **Date:** November 28, 2023
From: Suzanne Bycraft **File:** 10-6370-01/2023-Vol
 Director, Public Works Operations 01
Re: **Extension of Contract - 6577P - On-Call Collection of Hazardous Materials**

Staff Recommendation

1. That Contract 6577P – On-call Collection of Hazardous Materials be extended for an additional three-year term, commencing February 1, 2024 with the total contract value of \$1,584,560, split between GFL Environmental Inc. and Secure Energy Services Inc. as described in the report titled “Extension of Contract - 6577P - On-Call Collection of Hazardous Materials”, dated November 21, 2023, from the Director, Public Works Operations;
2. That the Chief Administrative Officer and the General Manager, Engineering and Public Works be authorized to execute the extension of the contract for a further two-year term, up to a maximum total term of eight years, for the maximum total amount of \$2,288,120, as described in the report titled “Extension of Contract - 6577P - On-Call Collection of Hazardous Materials”, dated November 21, 2023, from the Director, Public Works Operations; and
3. That the Chief Administrative Officer and the General Manager, Engineering and Public Works be authorized to execute the extension of the contract with GFL Environmental Inc. and Secure Energy Services Inc.

Suzanne Bycraft
 Director, Public Works Operations
 (604-233-3338)

| REPORT CONCURRENCE | | |
|-----------------------------------|-------------------------------------|---------------------------------------|
| ROUTED TO: | CONCURRENCE | CONCURRENCE OF GENERAL MANAGER |
| Finance Department | <input checked="" type="checkbox"/> | |
| Purchasing | <input checked="" type="checkbox"/> | |
| SENIOR STAFF REPORT REVIEW | INITIALS: | APPROVED BY CAO |
| | | |

Staff Report

Origin

At the January 25, 2021 Council meeting, the following resolution was adopted during consideration of the staff report entitled “Award of Contract 6577P – On Call Collection of Hazardous Materials”:

1. That Contract 6577P – On Call Collection of Hazardous Materials be awarded at the unit rates quoted for a three-year term, commencing February 1, 2021 as follows:
 - a. GFL Environmental Inc. at an estimated total contract value of \$450,000; and
 - b. Tervita Corporation at an estimated total contract value of \$200,000; and
2. That staff report to Council for extensions beyond the initial three-year term, up to the maximum identified eight-year term under the provisions of Contract 6577P – On Call Collection of Hazardous Materials.

The initial three year term of Contract 6577P is due to expire on January 31, 2024. This report requests approval from Council for the execution of the renewal for an additional three-year term and the option to renew for an additional two-year term.

This report supports Council’s Strategic Plan 2022-2026 Focus Area #4 Responsible Financial Management and Governance:

Responsible financial management and efficient use of public resources to meet the needs of the community.

4.1 Ensure effective financial planning to support a sustainable future for the City.

4.2 Seek improvements and efficiencies in all aspects of City business.

This report supports Council’s Strategic Plan 2022-2026 Focus Area #5 A Leader in Environmental Sustainability:

5.2 Support the preservation and enhancement of Richmond’s natural environment.

5.3 Encourage waste reduction and sustainable choices in the City and community.

Analysis

Background

The City awarded Contract 6577P to two different vendors GFL Environmental Inc. (GFL) and Tervita Corporation per Council approval on January 25, 2021. Tervita Corporation has since amalgamated with Secure Energy Services Inc. (Secure) in 2021, and now does business as Secure. The aforementioned contractors are required to properly respond to, handle and safely

dispose of miscellaneous hazardous items that may be spilled, illegally dumped or abandoned on City property. Both contractors are required to respond to:

- Illegal dumps of asbestos-containing drywall or other hazardous wastes.
- Abandoned materials, including unknown substances.
- Hazardous waste materials accumulated at the Richmond Recycling Depot or City's Works Yard.
- Road spills from vehicle accidents/incidents.
- Clean-up of spills of potentially unknown substances from City watercourses or ditches.

City staff currently handle the clean-up and disposal of non-hazardous materials abandoned or illegally dumped on City-owned property. However, to ensure the safe disposal or recycling of hazardous waste materials generated from various public works related operational activities, the City engages GFL and Secure, as they specialize in the collection, transportation and safe disposal or recycling of hazardous waste materials. This approach helps to maintain public spaces and operations throughout Richmond, while ensuring compliance with provincial legislation such as the Hazardous Waste Regulation.

Request for Proposals 6577P – On-Call Collection of Hazardous Materials

Request for Proposal (RFP) 6577P – On-Call Collection of Hazardous Materials was posted onto BC Bid on April 16, 2020 and closed on May 27, 2020. Seven proposals were received by the closing date with an evaluation committee scoring and determining that splitting the contract between GFL and Secure provided best overall value to the City as they displayed the greatest ability to meet the scope and variable nature of the work, including emergency response capability. Two-thirds of the work was allocated to GFL, and the remaining balance to Secure.

Renewal Terms

Upon request for the three-year renewal, both GFL and Secure provided updated pricing effective February 1, 2024 and escalation costs for the remaining two years. Costs are detailed below in Table 1.

Approval is requested from Council for staff to extend the 6577P – On-Call Collection of Hazardous Materials agreement for an additional three-year term until January 31, 2027, with the option to further renew for the final two-year term.

Staff recommend the proposed extension as the original tendering process identified the lowest price and best value to the City. The performance of both GFL and Secure has met City standards for timeliness, overall general approach and material handling methods. Throughout the initial three-year term, GFL and Secure were required to hold their pricing in accordance with the terms of Contract 6577P. This was despite the evolving market conditions due to impacts from the COVID-19 pandemic, fuel pricing and an accumulative CPI increase of 10.46% over the initial three-year term. Staff sought updated pricing in accordance with the allowance of the Contract in order to extend the agreement with both vendors. This updated pricing is reflected in Tables 2 and 3 below.

Financial Impact

Contract Value

Table 1 below summarizes the approved contract value and actual spend for the initial three-year term.

Table 1: Approved Contract Value and Projected Three-Year Term Spend

| Contract Year | Approved Contract Value | | Actual Spend |
|---------------------------------------|--------------------------------|----------------|-------------------------|
| Year 1 (February 2021 – January 2022) | \$ | 216,660 | \$ 137,948 |
| Year 2 (February 2022 – January 2023) | \$ | 216,670 | \$ 174,472 |
| Year 3 (February 2023 – January 2024) | \$ | 216,670 | \$ 269,685 ¹ |
| Total Contract Value (3 Years) | \$ | 650,000 | \$ 582,104 |

¹ Year 3 figure includes a forecast for remaining contract period

As summarized below in Table 2, the total value of the proposed Contract over a three-year term extension, or until January 2027, is \$934,560, including contingency. This estimate for 2025 onward is based on a 5% increase per year from GFL and Secure, based on the approved annual contract value. A 20% contingency is required to accommodate potential changes in user requirements, service demand and the volatility of the market.

Table 2: Estimated Total Three-Year Extension (February 1, 2024 - January 31, 2027)

| Contract Year | Total Estimated Contract Value | |
|---|---------------------------------------|----------------|
| Year 4 – (February 2024 – January 2025) | \$ | 247,000 |
| Year 5 – (February 2025 – January 2026) | \$ | 259,400 |
| Year 6 – (February 2026 – January 2027) | \$ | 272,400 |
| Subtotal | \$ | 778,800 |
| Contingency (20%) | \$ | 155,760 |
| Total Contract Value (3 Years) | \$ | 934,560 |

The additional three-year term brings the total contract value to \$1,584,560, finishing January 2027.

The City has the option to extend for a further two-year term, or until January 2029, for an additional value of \$703,560, including contingency which staff recommend. The estimated costs associated with this extension are summarized in Table 3.

Table 3: Estimate Total Two-Year Extension (February 1, 2027 - January 31, 2029)

| Contract Year | Total Estimated Contract Value | |
|---|---------------------------------------|----------------|
| Year 7 – (February 2027 – January 2028) | \$ | 286,000 |
| Year 8 – (February 2028 – January 2029) | \$ | 300,300 |
| Subtotal | \$ | 586,300 |
| Contingency (20%) | \$ | 117,260 |
| Total Contract Value (2 Years) | \$ | 703,560 |

The total amount for the maximum eight-year term is \$2,288,120, including contingency. Staff consider the proposed contract extension represents overall best value to the City based on the initial competitive bid process and cost increases which align with current inflationary factors.

November 28, 2023

- 5 -

Before extending the contract by the final allowable two-year term, or to January, 2029, staff will ensure individual contractor's service and performance over the previous three-year term is acceptable to the City's standards.

Conclusion

This report requests approval to execute the option to renew Contract 6577P – On-Call Collection of Hazardous Materials with GFL Environmental Services Ltd. and Secure Energy Services Inc. for the additional three-year term, plus two-year term, or until January 2029.



Kristina Nishi
Manager Recycling and Waste Recovery
(604-244-1280)

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