



REPORT

To: Solid Waste Committee

Report Number: ENV-SWC-002

From: Paulo Eichelberger, GM of Environmental Services

Date: April 30, 2020

Subject: RFP Award 07-2020 North Peace Rural Refuse Collection and Transfer Station Service

RECOMMENDATION:

That the Solid Waste Committee recommend that the Regional Board that RFP 07-2020 North Peace Rural Refuse Collection and Transfer Station Service be awarded to Green for Life Environmental (GFL) for a 2 year contract for waste hauling services; further, that the Chair and Chief Administrative Officer be authorized to sign the agreement on behalf of the PRRD.

BACKGROUND/RATIONALE:

The North Peace Rural Refuse Collection and Transfer Station Service Contract provides the hauling of waste and servicing of the unmanned transfer stations in the north peace and the manned transfer station at mile 62.5, a list of all the sites is provided below:

- | | |
|---------------|---------------------------|
| 1. Mile 62.5 | 4. Milligan Creek PJ |
| 2. Osborn | 5. Milligan Creek Highway |
| 3. Doig River | |

The Peace River Regional District (PRRD) owns the PL-6 Bins¹ on these sites. The contractor hauls the waste in these bins on a set weekly schedule. While on site they pick up windblown litter, and if needed, clear the bin area of snow for the unmanned sites. If a bin is found damaged or unusable, the contractor places an "Out of Service" sign on the bin and notifies PRRD staff, the bin can then be swapped out or repairs can be made on site by Field Services staff. The contractor also hauls away any illegally dumped bulky waste from the sites when found within a 72 hour period.

The current contract was awarded to D&T Disposals Ltd.² in 2017, and ends on June 30, 2020. Staff went out to market with an RFP to secure best prices for the next two years. Two proposals were received and are summarized in the table below:

¹ PL-6 Bins are bear proof, hydraulically lifted garbage bins, and emptied via compactor truck.

² D&T Disposals Ltd. was purchased by Oscars in 2019.

	GFL	Home Town
Mandatory Requirements		
Submission Form (Appendix B)	✓	✓
Pricing (Appendix C)	✓	✓
Agreement to Bond - \$50,000.00	✓	✓
Scoring Matrix Results		
Total Score	85.00	68.00
Weekly Collection Cost	\$ 3,153.69	\$ 4,370.00
Upper Cache Bin Rental (Monthly)	\$ 100.00	\$0.00
Bulky Material Cleanup (\$/Hour)	\$ 185.00	\$ 125.00
Pressure Washing Bins (once per year)	\$ 1,600.00	\$ 2,100.00

All proponents were evaluated on Qualifications, Methodology, and Pricing. Both submissions met the mandatory requirements, from the evaluation, GFL is the preferred proponent.

ALTERNATIVE OPTIONS:

1. That the Solid Waste Committee provide further direction.

STRATEGIC PLAN RELEVANCE:

- ☒ Responsive Service Delivery

FINANCIAL CONSIDERATION(S):

Previous contracts for the North Peace waste haulage were based on an hourly rate for the work completed. The previous contract costs ranged between \$91,442 and \$101,084 annually. Given the contracted rate, this varied by +/- 30 hours per year (approximately 1/2 hour per week). While this provided a stable budget year to year, monthly costs fluctuated which made it difficult to establish trends for the hours spent on scheduled pickup versus bulky material clean up and time spent at each site.

Additionally, there was a second contract that serviced unmanned sites in the North Peace. The second contract included the supply of 3 - 6 yard bins at the Upper Cache Site on a monthly rental, as well as tipping the bins once a week. In 2019 this cost for this service was \$9,000.

Staff recognized an opportunity to combine both northern waste hauling services under a single contract. The new contract is based on fixed rate tipping fees for the scheduled waste hauls, and an hourly charge rate for any cleanup of illegally dumped materials. This provides a fixed baseline cost for providing the intended service, while the hourly rate costs indicate sites that are being abused beyond their intended use. With the fixed rate tipping fees implemented through the new contract, the fixed baseline for waste hauling and site cleanup will be \$146,136 annually.

Through the 2020 budget process, staff allocated \$100,000 for this contract in the year 2020. There is an additional \$9,000 that will go unspent in the "Misc Transfer Stations" budget line in SW, due to the Upper Cache Bins being included in this contract. Therefore a total of \$109,000 has been budgeted for waste hauling in the north.

Historically, both the north and south peace hauling contracts equated to \$450,000/year. Under the new contracts for north and south peace, net costs are \$74,000 under budget for 2020. It is anticipated that the \$74,000 will be charged to bulky waste clean-ups to align with historical costs.

COMMUNICATIONS CONSIDERATION(S):

N/A

OTHER CONSIDERATION(S):

The contract is established for 2 years with an option to renew for an additional year, subject to contract performance. This schedule was established with the intent of completing construction of the remaining manned transfer stations within 2 years and eliminating the bulk of the remaining unmanned sites.