



REPORT

To: Solid Waste Committee

Date: April 2, 2020

From: Paulo Eichelberger, General Manager of Environmental Services

Subject: RFP Award 01-2020 Operations of PRRD Landfills

RECOMMENDATION:

That the Solid Waste Committee recommend to the Regional Board that the RFP 01-2020 Operations of Peace River Regional District Landfills be awarded to Whissell Waste Solutions BC Ltd. (Whissell) at a cost of \$16,005,482 (excl. GST) over a 5 year period, beginning August 1, 2020.

BACKGROUND/RATIONALE:

The operation of the three PRRD Landfills is handled by a third party through the Operations of Peace River Regional District Landfills Contract. Historically the term of this contract has been for a period of 5 years. The current Landfill contract (07-2015) is held by Green for Life Environmental (GFL) and expires July 31, 2020.


Staff issued an RFP to acquire industry best practices and pricing for the next 5 year service contract for landfill operations. Below is a table illustrating the results of the 5 proposals that were received:

	GFL	Enviro-Ex	A&L Septic	Whissell	Brocor
Mandatory Requirements					
Submission Form (Appendix B)	✓	✓	✓	✓	✓
Pricing (Appendix C)	✓	✓	✓	✓	✓
Bonding	✓	✓	✓	✓	✓
Scoring Matrix Results					
Total Score	84	66	69	90	40
PROPOSAL COST (Excluding GST)	\$16,469,055	\$17,652,000	\$21,175,000	\$16,005,482	\$24,176,115

All parties met the minimum requirements as set out in the proposal and based on the results of the evaluation, Whissell both received the highest score and was the lowest cost provider.

ALTERNATIVE OPTIONS:

1. That the Solid Waste Committee provide alternative direction.

Staff Initials: Dept. Head: CAO: 

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STRATEGIC PLAN RELEVANCE:

- ☒ Responsive Service Delivery

FINANCIAL CONSIDERATION(S):

The price proposed by Whissell is 3% less than that of the past 5 year contract, which translates to a year-to-year cost savings of approximately \$87,574 per year?

Through the 2020 budget process staff budgeted for a 5% increase to contractor costs for this year, in anticipation of higher costs to operate all three landfill sites.

Coupled with the 5% contingency this translates to an estimated \$248,839 in savings in 2020.

COMMUNICATIONS CONSIDERATION(S):

Notice of award will be issued to Whissell in order to prepare for the transition of contractors at the Bessborough, Chetwynd and North Peace Regional Landfills in summer 2020.

OTHER CONSIDERATION(S):

Whissell has identified additional value-add options which could further reduce costs for the PRRD:

- Updated staffing model which could reduce costs annually by \$358,932. (comment on staff)
- Extension of the contract/renewal from 5 years with 1 year renewal to 7 year contract with 3 year renewal (all subject to performances). Annual cost reduction of approximately \$73,563.
- Use of factory rebuilt compaction equipment vs new: annual cost reduction of \$190,147.

Coupled with the 3% reduction stated under Financial Considerations, the possible total annual savings are approximately \$710,216.