
HALDIMAND COUNTY

Report PW-SW-01-2018 Award of Contract PW-SW-01-2018, Municipal Hazardous and Special Waste Collection and Processing

For Consideration by Council in Committee on April 24, 2018



OBJECTIVE:

To award Tender PW-SW-01-2018, Municipal Hazardous and Special Waste Collection and Processing.

RECOMMENDATIONS:

1. THAT Report PW-SW-01-2018 Award of Contract PW-SW-01-2018, Municipal Hazardous and Special Waste Collection and Processing be received;
2. AND THAT Contract PW-SW-01-2018, Municipal Hazardous and Special Waste Collection and Processing be awarded to Photech Environmental Solutions Inc. in the amount of \$94,158.39 plus applicable taxes, for a two year term with the option for three annual renewals;
3. AND THAT should the County exercise its right to renew, the initial rate of the contract shall be adjusted annually on the anniversary date, by the percent change, year over year, as recorded in the Statistics Canada, Consumer Price Index, Catalogue Number 62-001-X, Table 9-6, Major Components, Not Seasonally Adjusted – Ontario – All Items;
4. AND THAT the Operating Budget amendment as outlined in Report PW-SW-01-2018 be approved;
5. AND THAT the General Manager of Public Works be authorized to execute the agreement.

Prepared by: David Pressey, Manager, Solid Waste Operations

Respectfully submitted: Paul Mungar, C.E.T., CMM III, General Manager of Public Works

Approved: Donald G. Boyle, Chief Administrative Officer

EXECUTIVE SUMMARY:

Staff recommend that Contract PW-SW-01-2018, Municipal Hazardous and Special Waste Collection and Processing be awarded to Photech Environmental Solutions Inc. as the lowest acceptable compliant bid.

BACKGROUND:

Ontario Regulation 347 regulates the disposal of wastes within Ontario. Hazardous and/or special waste must be disposed of in a hazardous waste landfill/incineration facility or may be recycled depending on the material type. Haldimand County offers an “event based” program for the collection and responsible management of Municipal Hazardous and Special Waste (MHSW) generated by residents of the County. Four collection events are held throughout the year in Dunnville, Caledonia, Hagersville and Cayuga.

ANALYSIS:

Tender PW-SW-01-2018 Municipal Hazardous and Special Waste Collection and Processing was issued on February 27, 2018. Six (6) tender documents were distributed and two (2) bid submissions were received and publicly acknowledged on Tuesday, March 20, 2018.

Bidder	Bid Results (<i>incl. full HST</i>)	Comments
Photech Environmental Solutions Inc.	\$106,398.98	Lowest compliant bid
Clean Harbours Canada Inc.	N/A	Non-compliant bid

Staff determined the submission from Clean Harbours Canada Inc. to be non-compliant for “conditions placed by the bidder on the total contract price” in accordance with Procurement Policy 2013-02.

Staff reviewed the Photech Environmental Solutions Inc. (Photech) bid to ensure compliance with the requirements as specified in the Request for Tender. Staff deemed that the Photech bid met the tender requirements. Photech’s bid price includes the base event fees, unit pricing per material type, and the full HST amount. Staff recommends that Photech be awarded the contract as the lowest compliant bid. Photech has previously operated the MHSW collection events in Haldimand County and their performance was found to be satisfactory.

FINANCIAL/LEGAL IMPLICATIONS:

The bid received for Tender PW-SW-01-2018 Municipal Hazardous and Special Waste Collection and Processing in the amount of \$95,815 (including non-rebateable HST), is above the 2018 approved Tax Supported Operating Budget of \$56,350 for Waste Reduction MHSW. If supported by Council, the awarding of this contract will result in an increase to the budget of \$39,500 for a total revised budget of \$95,850 for costs related to the MHSW Program. The overall deficit or surplus for Waste Reduction is funded from or contributed to the Contingency Reserve, but staff will attempt to mitigate this increase with other offsetting reductions. Future Operating Budgets when presented, will include the updated contract costs for the related year throughout the contract period. The MHSW Program is partially funded through various stewardships, including Product Care Association, Automotive Materials Stewardship and Stewardship Ontario, at a current flat rate of \$1.10/kg for all eligible materials collected. Funding received from the materials collected at the MHSW events are used to help offset the costs of running the program.

The 2018 Tax Supported Operating Budget was prepared based on the average actual expenditures over the past three years (2015 - 2017) with the scope of Tender PW-SW-01-2018 being fundamentally the same as previous years. Reviewing the tender result, staff note that 95% of the overage is related to increased labour costs, increased supply costs, and increased disposal and recycling costs. The additional 5% overage is related to a minor increase in scope to deal with hazardous and or special waste inadvertently received at the Canborough Waste Management Facility.

In review of this cost increase, staff's further investigation showed that-

- The price for disposal of certain materials has increased.
- Labour cost increases.
- The processing and recycling of used oil was at one point a "no cost" item.
- Due to changes in the commodities market and the consolidation of the oil recycling industry, the price to recycle the used oil has increased.
- The price to collect and dispose of pharmaceutical sharps has increased due to the fact that there are only two processors in Ontario for these materials.

Staff will be investigating the need to provide sharps collection at the MHSW events, as residents can take their pharmaceutical sharps to local pharmacies and to local Health Unit offices in Dunnville and Caledonia for disposal at no cost to the resident.

STAKEHOLDER IMPACTS:

Not applicable.

REPORT IMPACTS:

Agreement: Yes

By-law: No

Budget Amendment: Yes

Policy: No

ATTACHMENTS:

None.