



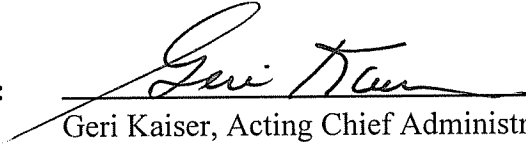
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Halifax Regional Council
May 29, 2007

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY:


Geri Kaiser, Acting Chief Administrative Officer


Jim Bauld, Acting Director, Environmental Management Services

DATE: May 15, 2007

SUBJECT: Award - Tender No. 07-079, The Receipt and Management of Separately Collected Leaf and Yard Waste and/or Christmas Trees

ORIGIN

The Municipality's Solid Waste Resource Management Strategy and the expiry on July 15, 2007 of HRM's existing contracts for the receipt and management of separately collected leaf and yard waste and Christmas trees, which commenced October 1, 2004.

RECOMMENDATION

It is recommended that Council award Tender No. 07-079 with funding from Solid Waste Resources Operating Budget Account number R325-6301, Composting Facility, as outlined in the Budget Implications section of this report, as follows:

- a) **Service A** - Receipt and Management of Separately Collected Residential Leaf and Yard Waste to Fundy Compost Inc., for a two year period commencing October 1, 2007 at a total firm price of \$122,046.22 inc. net HST with an option (at HRM's sole discretion) for a one year extension at a total price of \$62,057.40 inc. net HST.
- b) **Service B** - Receipt and Management of Christmas Trees from Eligible Properties to Kynock Resources Ltd. for a two year period commencing December 27, 2007, at a total firm price of \$29,994.41 inc. net HST, with an option (at HRM's sole discretion) for a one year extension at a total price of \$14,997.21 inc. net HST.

BACKGROUND

The processing of separately collected leaf and yard waste (separate from green cart organics) and separately collected Christmas trees, are two components of Solid Waste Resources' Organics contingency plan. The separate collection and processing of leaf and yard waste during peak seasons (up to ten weeks, Spring and Fall), and Christmas trees during three weeks in January, helps enable HRM to satisfy the contractual requirements of its agreements with New Era Technologies and Miller Composting (both of which have an approximately 520 tonne weekly capacity limit), and to comply with the NS Department of Environment and Labour landfill ban on the disposal of compostable leaf and yard waste material. These seasonal processing services are a recurring operational requirement, due to the weekly contractual restrictions for tonnage processed at the New Era and Miller Composting Facilities.

Growth in residential and commercial organics, both seasonally and overall, can present challenges to manage the weekly tonnage of material collected. Since the Fall of 2000, HRM has had to collect some leaf and yard waste and Christmas trees separately during peak seasons and divert the material to private facilities (other than New Era and Miller). This has generally allowed HRM the processing capacity to handle the organic material through the peaks, with some additional short term outside contingencies also utilized from time to time (e.g. Hurricane Juan).

DISCUSSION

Tenders were called on April 14, 2007 and closed on May 3, 2007. Bidders could bid on any one or both of the following two services:

- Service A - Receipt and Management of Separately Collected Residential Leaf and Yard Waste; and
- Service B - Receipt and Management of Christmas Trees from Eligible Properties.

Three companies submitted bids (see Table 1). The prices submitted are for a two year period with an optional one year extension (at HRM's sole discretion) and includes net HST. The low recommended bidders for each service (prices in bold) met the conditions of the tender call. The yearly prices are for receiving and processing leaf and yard waste over an eight to ten week period in the Spring and Fall, and the Christmas trees over a three week period in January. The total prices quoted for each year of the two year period of these services, are approximately 11 % below the current year pricing for the same services, while at the same time the Consumer Price Index (CPI) was up 2.3% this year.

Table 1

| Bidder | Service A - Leaf & Yard Waste, prices inc. net HST | Service B - Christmas Trees, prices inc. net HST |
|-----------------------|--|--|
| Fundy Compost Inc. | 2 Years \$122,046.22* Option year \$62,057.40* | 2 Years \$32,580.14 Option year \$16,290.07 |
| Kynock Resources Ltd. | No Bid | 2 Years \$29,994.41* Option year \$14,997.21* |
| Kel-Ann Organics | 2 Years \$128,251.96 Option year \$67,228.85 | 2 Years \$72,400.30 Option year \$36,200.15 |

* Recommended service provider(s).

BUDGET IMPLICATIONS

Funds for these services are provided in the yearly Solid Waste Resources Operating Budget Account number R325-6301, Composting Facility.

Budget Summary

Operating Account R325-6301 Compost Facility Ragged Lake

| | |
|---------------------------|----------------|
| Cumulative Unspent Budget | \$2,470,174.00 |
| Less: Tender 07-079 | \$ 45,508.70 |
| Uncommitted Balance | \$2,424,665.30 |

FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN

This report complies with the Municipality’s Multi-Year Financial Strategy, the approved Operating, Capital and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Capital and Operating reserves, as well as any relevant legislation.

ALTERNATIVES

There are no recommended alternatives.

ATTACHMENTS


N/A

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.html> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

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