



P.O. Box 1749  
Halifax, Nova Scotia  
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**Item No. 11.1.2**  
**Halifax Regional Council**  
**July 23, 2013**

**TO:** Mayor Savage and Members of Halifax Regional Council

**SUBMITTED BY:**

Original signed by

A handwritten signature in black ink, appearing to be "R. Butts", written over a horizontal line.

Richard Butts, Chief Administrative Officer

Original Signed by

A handwritten signature in black ink, appearing to be "M. Labrecque", written over a horizontal line.

Mike Labrecque, Deputy Chief Administrative Officer

**DATE:** June 24, 2013

**SUBJECT:** **Award – Tender No. 13-055, Collection and Transportation of Source-Separated Solid Waste from Condominium Properties**

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### **ORIGIN**

HRM's existing agreements for the collection and transportation of source-separated solid waste from condominium properties expire on October 31, 2013. HRM issued Tender No. 13-055 to provide services for Collection and Transportation of Source-Separated Solid Waste from Condominium Properties for the three year period from November 1, 2013 to October 31, 2016.

### **LEGISLATIVE AUTHORITY**

Under the HRM Charter, Section 79, Halifax Regional Council may expend money for municipal purposes. Administrative Order #35, the Procurement Policy, requires Council to approve the award of contracts for sole sources exceeding \$50,000 or \$500,000 for tenders and RFP's.

### **RECOMMENDATION**

It is recommended that Halifax Regional Council award Tender No. 13-055, Collection and Transportation of Source-Separated Solid Waste from Condominium Properties to Royal Environmental in Areas A and B, and Miller Waste Systems in Area C, for a three year period

**Recommendation Continued on Page 2**

for the services specified and at the unit prices provided in the tender, for a Total Tender Price of \$1,372,057.41 (net HST included) with funding from Solid Waste Resources Operating Account #R322-6399, Collection, as outlined in the Financial Implications section of this report. The distribution of this award is as follows:

- a) Area A – Halifax/Western County to Royal Environmental at a price of \$764,562.38;
- b) Area B – Dartmouth/Cole Harbour to Royal Environmental at a price of \$366,794.72; &
- c) Area C – Bedford/Sackville to Miller Waste Systems at a price of \$240,700.31

### **BACKGROUND**

Halifax Regional Municipality has provided the collection of refuse and recyclables at registered condominium properties since 1996 (and organics since 1998/99, with the introduction of composting), consistent with the services to condominium properties provided by the former local municipal units. The current contracts serving approximately 8,545 condominium units in three geographic areas (Halifax/Western County, Dartmouth/Cole Harbour and Bedford/Sackville) will expire October 31, 2013. Tender No. 13-055 was issued for the three-year period from November 1, 2013 to October 31, 2016.

### **DISCUSSION**

The tenders were issued on May 28, 2013, with closing on June 20, 2013. The required services consist of the supply of collection containers, the collection of the refuse, organics and recyclables at the condominiums, and the transportation of the materials in the manner, at the frequency, time and to the receiving/processing facilities, all as specified in the tender documents.

The price submitted is a monthly price in each area in each year, to service the condominiums as currently specified. Provision is made to add or remove condominium units (buildings) during the three-year tender period, at the unit price(s) for each service provided by the successful bidder. The tender total price in each area is the total price over three years for all of the services specified in the tender.

The following bids were received in the three areas for the three-year period:

<b>Tenderer</b>	<b>Area A Halifax/Western County 3 Year Total (including net HST) - 5490 units</b>	<b>Area B Dartmouth/Cole Hbr. 3 Year Total (including net HST) - 1900 units</b>	<b>Area C Bedford/Sackville 3 Year Total (including net HST) - 1155 units</b>
Royal Environmental	\$764,562.38 *	\$366,794.72 *	\$245,850.45
Miller Waste	\$1,065,137.58	\$403,685.56	\$240,700.31 *
Waste Management	\$1,862,301.76	\$730,183.53	\$349,063.19

\* Recommended bidders

The average of the first year monthly prices total quoted by the recommended bidders is approximately 17.4% less than the average of the current monthly prices total for these services.

<b>Tenderer</b>	<b>Area A - Average price per unit/year</b>	<b>Area B - Average price per unit/year</b>	<b>Area C - Average price per unit/year</b>
Royal Environmental	\$46.42 *	\$64.35 *	\$70.95
Miller Waste	\$64.67	\$70.82	\$69.47 *
Waste Management	\$113.07	\$128.10	\$100.74
Previous Tender Award Average price per unit/year	\$51.70	\$87.96	\$80.65
Percentage Change per unit from Previous Tender Award	- 11.4%	- 36.7%	- 16.1%

Note: The service level provided, i.e. the number of bins, frequency of collection of refuse, organics and recyclables for each condominium property, which is reviewed prior to issuance of a new tender every three years, varies based upon the number of units, available space and configuration at each condominium property. The service level at a majority of condominium properties is two to three collections per week.

The specifications included in this tender allow for flexibility over the three year period should the Municipality evolve its systems such as the ability to accommodate a reduction in the source-separation requirements for recyclables (e.g. change to single-stream) or the ability to change delivery locations (e.g. for organics, etc.).

The recommended bidders, Royal Environmental and Miller Waste are the current contractors in these areas and have been providing satisfactory service in these areas for the last three years and have previously serviced these areas and/or other areas.

### **FINANCIAL IMPLICATIONS**

Based on the lowest tendered three-year pricing of \$1,372,057.41 (including net HST), funding is available for the first five months of these services in the approved 2013/14 Operating Budget, Account # R322-6399 - Collection, and will be provided for in subsequent yearly Fiscal Operating Budgets. The budget availability for 2013/14 has been confirmed by HRM Finance. The total cost for 2013/14 Operating Budget for five months of condominium collection services starting November 1, 2013 and extending to March 31, 2014, is approximately \$185,830 based on the current number of condominium units serviced.

These services were estimated in the Approved 2013/14 Operating Budget at approximately \$218,529 for five months of service.

### **ENVIRONMENTAL IMPLICATIONS**

The delivery of source-separated solid waste collection services to condominium buildings provides for the separation and collection of organics and recyclables as part of implementing the diversion goal for HRM's solid waste system.

### **ALTERNATIVES**

There are no recommended alternatives.

### **ATTACHMENTS**

None

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A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/agenda.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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