

# Municipality of Lakeshore - Report to Council

## Engineering & Infrastructure Services

### Environmental Services



**To:** Mayor & Members of Council

**From:** Albert Dionne, C.E.T.  
Manager, Environmental Services

**Date:** November 26, 2020

**Subject:** Tender Award - Waste Collection Tender (2020 - 2022).docx

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## Recommendations

Award the tender for waste collection (for both 2021 and 2022) with an option for two, one year extensions to Green For Life (GFL) Environmental Inc. in the amount of \$1,493,665 (excluding HST), as described in the report presented at the January 12, 2021 Council meeting.

## Background

The municipality entered into a 5 year waste contract with Windsor Disposal Services (WDS) starting on January 1, 2014. This contract expired on December 31, 2019.

In 2019, WDS was purchased by GFL Environmental Inc. (GFL). GFL continued to honour the original contract amounts (with the applicable CPI increases annually) and continues to offer services to the Municipality of Lakeshore for waste collection, up to and including today.

In accordance with the Municipality's purchasing by-law, a public tender was posted and advertised on the Bids & Tenders website on October 22, 2020. The term of this contract was identified in the tender as a 2 year term starting on January 1, 2021, ending December 31, 2022 and includes an annual increase (for two, one year extensions) based on the Consumer Price Index (CPI).

The tender was broken down into two services of waste collection:

- **Section A** - Curb Side Pick-up (Residential - weekly garbage collection, yard waste collection, extra summer garbage collection and white goods); and
- **Section B** – Roll-off Bin Pick-up (Commercial - weekly, bi-weekly and/or call-in basis).

The tender was structured to allow proponents to submit tenders for both services and only one service.

The tender closed on November 13, 2020.

## Comments

Two proponents responded to the public tender. They were GFL Environmental Inc. (current service provider) and Waste Connections of Canada – Windsor.

GFL submitted a complete bid for Section A and Section B, while Waste Connections of Canada-Windsor only submitted a bid on Section B.

The following table summarizes the tendered amounts received for each section:

### Section A – Curb Side Pick-up (Residential)

Tenderer	Price (Excluding HST)	Price Including net HST
GFL Environmental Inc.	\$1,482,041	\$1,508,125
Waste Connections of Canada-Windsor	<i>No bid received</i>	<i>No bid received</i>

### Section B – Roll-off Bin Pick-up (Commercial)

Tenderer	Price (Excluding HST)	Price Including net HST
GFL Environmental Inc.	\$11,624	\$11,829
Waste Connections of Canada-Windsor	\$24,003	\$24,629

## Financial Impacts

Waste collection costs are recoverable as a separate charge on the property tax bill. These charges include the actual cost charged (by the contract), an estimate for white goods collection (based on the prior year), the number of pick up times (based on the annual collection calendar) and the correction in estimates from the prior year. Tipping fees are not including in this recovery.

Based on the tender amount, the projected increase from 2020 rates are summarized below:

Type	2020	2021	Difference	Difference %
Curb Side Pick-up (Residential)	\$ 90.41	\$ 99.51	\$ 9.10	10.07%
Curb Side Pick-up (Residential – extra summer pickup)	\$ 101.79	\$ 112.11	\$ 10.32	10.14%
Bin Pick-up (Commercial)	\$ 468.65	\$ 517.12	\$ 48.47	10.34%

Note: All unit costs above are excluding HST

Although the increases are quite significant, GFL was the only proponent that submitted for this tender call. Based on the foregoing, Administration recommends that Council award the Municipal waste collection tender for 2021 and 2022 to GFL Environmental Inc. in the amount of \$1,493,665 (excluding HST) with the option to extend for 2 years thereafter as outlined. This includes both curb side pick-up and roll-off bin pick up.

Should Council not wish to authorize Administration to enter into a contract with GFL, the Municipality may be vulnerable to rate fluctuations that may not be favourable to the municipality, in the absence of a binding agreement.

### Report Approval Details

Document Title:	Tender Award - Waste Collection Tender (2020 - 2022).docx
Attachments:	
Final Approval Date:	Jan 7, 2021

This report and all of its attachments were approved and signed as outlined below:

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