
CITY OF KELOWNA

MEMORANDUM

Date: March 5, 2003
File No.: 2320-20

To: City Manager

From: Drainage/Solid Waste Manager

Subject: **Garbage Collection Contract Award**

Recommendation:

THAT Council approves the award of a contract to Canadian Waste Services Inc. for the provision of garbage and yard waste collection for the period August 2, 2003 to June 30, 2008;

AND THAT the Mayor and City Clerk be authorized to execute the Contract on behalf of the City of Kelowna;

AND FURTHER THAT the Financial Plan be amended to reflect a garbage collection rate of \$38.48 in 2003 and \$45.35 in 2004.

Background:

The City of Kelowna issued a Request for Proposals (RFP T03-22) for the provision of garbage and yard waste collection services on February 14, 2003. Five proposals were received by the submission deadline of February 28th although only four were evaluated as one did not provide the required performance bond assurance.

The proposals were evaluated using the following criteria and weightings as specified in the RFP:

Implementation	20%
Collection Ability	20%
Management	15%
Financial Ability	15%
Cost	30%

Evaluations were completed by a three member Works and Utilities evaluation team. The scores for the proponents (out of 100) were averaged and are provided along with the costs as follows:

	Score	Price
Canadian Waste Services Inc.	94.0	\$41.99
O.K. Environmental Waste Systems Ltd.	89.0	\$39.88
BFI Canada Inc.	82.3	\$46.13
Capital Environmental Resource Inc.	82.0	\$44.04

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The pricing by Canadian Waste Services Inc. for the provision of both the garbage and yard waste collection for a five year period beginning on August 2, 2003 is \$41.99 (forty-one dollars and ninety-nine cents) per unit per year, GST not included. Breakdown of the per unit rate is \$33.99 for garbage collection and \$2.00 per pickup for yard waste collection.

The contract will be for the period of August 2, 2003 to June 30, 2008 with a total value of approximately \$6.15 million based on 29,300 homes serviced. There is an option to extend for an additional one year period.

Canadian Waste Services have had the existing collection contract for the past five years and have provided the City with fully satisfactory garbage collection over that time. In addition, they also provide the blue bag recycling collection service with the Central Okanagan Regional District. An award to Canadian Waste will result in continued quality service and a seamless transition into the new contract.

The current rate collected from serviced households in Kelowna is \$33.44 per unit per year. The new rate is consistent with those being charged in other BC municipalities.

The 2003 and 2004 financial plans will be modified to reflect the new rate as will the 2003 and 2004 tax notices. It should be noted that the rate increase will be implemented over the two tax years as the service start date does not coincide with the tax period. The 2003 charge on the tax notice will be \$38.48 (including net GST and administration overhead). This figure will increase to \$45.35 in 2004.

Alan Newcombe, P.Eng.
Drainage/Solid Waste Manager

John Vos, P.Eng.
Director of Works and Utilities