CITY OF KELOWNA

MEMORANDUM

Date: December 16, 2003 File No.: 1280-01

To: City Manager

From: Roadways Superintendent

Subject: Award of Tender for Operation of Compost Facility

RECOMMENDATION:

THAT Council approve awarding Tender T03-106 for the operation of the Compost Facility to Ansell Construction Ltd.

DISCUSSION:

On November 25, 2003, bids were received for Tender T03-106 to hire labour & equipment to operate our composting facility. The following bids, all-inclusive were received:

Ansell Construction Ltd.\$279,775 (less 2% discount for prompt payment)Grassmick's Excavating Ltd.\$318,904 (less ½% discount for prompt payment)

The Tender includes the supply of two front-end loaders with operators, employee facilities and the operation of city owned composting equipment. The price shown is the annual cost for a three year contract with the option of extending for two one year periods.

Ansell Construction Ltd., who has been operating the facility for the past three years, is the successful low bidder with an hourly rate of \$68.99.

Dale Beaudry Roadways Superintendent

John Vos Director of Works & Utilities

DB/ms