

NO: R013

COUNCIL DATE: January 29, 2024

REGULAR COUNCIL

TO: **Mayor & Council** DATE: **January 22, 2024**

FROM: **General Manager, Parks, Recreation & Culture** FILE: **0550-20**

SUBJECT: **Award of Contract No. 1220-040-2023-083**
Refuse Collection and Disposal Services - City Parks

RECOMMENDATION

The Parks, Recreation & Culture Department recommends that Council:

1. Receive this report for information;
2. Award Contract No. 1220-040-2023-083 to ABC Maintenance Ltd. for refuse collection and disposal services in City parks for an initial one-year term, commencing March 1, 2024, with an estimated annual base cost in the first year of \$621,608.61 (including applicable taxes);
3. Set the expenditure authorization limit for the first year of Contract No. 1220-040-2023-083 at \$651,209.02 (including applicable taxes and contingency);
4. Approve the option to extend Contract No. 1220-040-2023-083 for four additional one-year terms at the City's sole discretion;
5. Authorize the General Manager, Parks, Recreation & Culture to execute Contract No. 1220-040-2023-083 and annual contract amendments, adjusting the cost of the goods and services based on changes to inventory to be maintained and the Vancouver Area Consumer Price Index as published by Statistics Canada ("CPI") for years two through five of the term.

INTENT

The purpose of this report is to obtain Council's approval to award Contract No. 1220-040-2023-083 for refuse collection and disposal services in city parks, with the option to extend the contract for up to four additional one-year terms at the City's sole discretion.

BACKGROUND

The five-year term of current contract No. 1220-040-2021-064 for refuse collection and disposal services in city parks with Horizon Landscape Contractors ("Horizon"), is up for its second renewal option on March 1, 2024. On October 5, 2023, Horizon requested a 30 percent increase in value (approximately \$163,00.00), plus CPI, to renew the contract and continue services.

Purchasing and Parks staff evaluated the request and determined the significant increase in cost, as well as the time elapsed since the original request for quotations, warranted a return to market.

On November 30, 2023, a Request for Quotations (“RFQ”) was posted to BC Bid and the City of Surrey’s website.

DISCUSSION

Scope of Work

The Parks, Recreation & Culture Department maintains approximately 790 refuse collection cans throughout the city’s parks. The services for Contract No. 1220-040-2023-083 include all labour, materials, equipment, and transportation necessary to collect and dispose of refuse from City owned containers (45-gallon bins) and the surrounding area at designated locations.

Evaluation

In November 2023, a Request for Quotations (“RFQ”) was publicly posted on the BC Bid and City of Surrey websites. The RFQ closed on Dember 14, 2023, and the City received a total of three proposals from the following proponents:

	<i>Proponent</i>	<i>Amount (including GST)</i>	<i>Corrected Amount</i>
1	On the Spot Services	\$405,418.13	\$405,200.51
2	ABC Maintenance Ltd.	\$618,583.09	\$621,608.61
3	Horizon Landscape Contractors	\$953,045.78	No change

An Evaluation Committee comprised of staff from Purchasing and Parks reviewed the quotations for accuracy and completeness and all proposals were found to be compliant. The Evaluation Committee brought proponents in for interviews to better understand their bids.

During the interview process, it was determined that On the Spot Services would be unable to deliver the full scope of services related to Contract No. 1220-040-2023-083. ABC Maintenance Ltd. submitted the next lowest cost proposal to deliver the full scope of services, which provides the best overall value to the City. ABC Maintenance Ltd. has provided similar refuse and collection disposal services to the City since 2017 and their performance has been satisfactory.

Legal Services Review

This report has been reviewed by Legal Services.

FUNDING

Funding for this contract is available in the Parks, Recreation & Culture Operating Budget.

CONCLUSION

Based on the above discussion, it is recommended that ABC Maintenance Ltd. be awarded Contract No. 1220-040-2023-083 for Refuse Collection and Disposal Services in City Parks.

Laurie Cavan
General Manager,
Parks, Recreation & Culture