



# INFORMATION REPORT

<b>TO:</b>	Chair and Members Public Works Committee
<b>COMMITTEE DATE:</b>	July 10, 2019
<b>SUBJECT/REPORT NO:</b>	In-House Bid Submission for the Operations and Maintenance of the Central Composting Facility (PW19059) (City Wide)
<b>WARD(S) AFFECTED:</b>	City Wide
<b>PREPARED BY:</b>	Catherine McCausland (905) 546-2424 Ext. 4203
<b>SUBMITTED BY:</b>	Craig Murdoch Director, Environmental Services Public Works Department
<b>SIGNATURE:</b>	

## COUNCIL DIRECTION

At its meeting of April 10, 2019, Council approved Item 7.6, Operations and Maintenance of the Central Composting Facility. This report addresses Items (b) and (c) of the motion, which are stated as follows;

- (b) That the General Manager of Public Works be authorized and directed to establish an in-house bid team to prepare and submit a bid to the Request for Proposals with the potential to transfer the operations and maintenance of the City's Central Composting Facility from a contracted service provider to an in-house service, as outlined in the City's Procurement Policy #22 – In-House Bid Submission; and,
- (c) That the General Manager of Public Works be directed to submit an Information Report to the Public Works Committee in lieu of the report contemplated in the City's Procurement Policy #22 – In-House Bid Submissions, Section 4.22 subsection (2).

## INFORMATION

The City's Central Composting Facility (CCF) has been operated and maintained by a contractor since its construction in 2006. The current contract will expire on December

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OUR Vision: To be the best place to raise a child and age successfully.

OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.

OUR Culture: Collective Ownership, Steadfast Integrity, Courageous Change, Sensational Service, Engaged Empowered Employees.

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31, 2020, requiring staff to release a Request for Proposals (RFP) in 2019 for the next operating and maintenance term which will commence on January 1, 2021.

Staff has been directed to prepare an in-house bid response to the upcoming RFP. The bid preparation process will determine the cost to transfer services from an external service provider to internal resources for the operations and maintenance the CCF. In parallel to the RFP process, staff are conducting an in-depth risk assessment of the CCF operations and maintenance and will make recommendations to Committee and Council based on the results of the RFP and risk assessment.

Several requirements must be met to maintain the integrity of the In-House Bid process:

- a) "Ethical walls" will be in place for members of the in-house Bid team, the evaluation team and any employee whose employment is affected by the transfer of services. All communication pertaining to these teams will be kept confidential to only that team. For further clarity:
  - i. No member of the evaluation team or an elected official shall have any communications with a member of the in-house Bid submission team nor any employee whose employment is affected by the transfer of services, except in accordance with the communication and any interview provisions contained in the RFP, and
  - ii. No member of the in-house Bid submission team nor any employee whose employment is affected by the transfer of services shall participate in the development of the RFP nor shall such persons have any communications with any person participating in the development of the RFP or scope of work.
- b) The same rules shall govern the submission of the in-house Bid as will apply to any other proponent, unless expressly provided otherwise in the RFP document; and,
- c) The evaluation of Bids shall be objective, and the process shall avoid any unfair bias towards either the in-house or external Bids.

Staff are obtaining quotes to hire a fairness monitor who will oversee both the RFP development and the evaluation processes. This will be conducted in a fair, open and transparent manner and remain in accordance with all applicable City processes. The fairness monitor will also ensure that there is no unfair advantage and/or disadvantage given to those preparing the in-house vs. the external bid submissions.

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Staff has also confirmed the members of the in-house Bid team, with the exception of Legal and consulting support which is still outstanding. The names of the members of the In-House Bid team are included in Table 1 below.

Table 1

TEAM MEMBER	ROLE
ENVIRONMENTAL SERVICES DIVISION PUBLIC WORKS DEPARTMENT	
Catherine McCausland	Project Lead
Glenn Watt	Project Support
Scott Hembruff	Project Support
FINANCIAL SERVICES AND TAXATION DIVISION CORPORATE SERVICES DEPARTMENT	
Patricia Vasquez	Procurement Specialist
LEGAL AND RISK MANAGEMENT SERVICES DIVISION CORPORATE SERVICES DEPARTMENT	
TBD	Legal Services Solicitor
Jody Yarmo	Risk Management Support
FINANCIAL PLANNING, ADMINISTRATION AND POLICY DIVISION CORPORATE SERVICES DIVISION	
Joanna Manganiello	Finance and Administration Support
HUMAN RESOURCES DIVISION, CITY MANAGER'S OFFICE	
Ryan Fletcher	Labour Relations Support
Melissa Chiappetta	Human Resources Business Partner
Linda Piccolo	Human Resources Benefits Support
Lombardo Borrelli	Human Resources Support
EXTERNAL CONSULTING	
WSP Canada Inc. (individual names TBD)	Consulting Support

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All of the above participants have been confirmed and instructed of the process. Any discussions with regards to the internal submission will be filtered through the Project Lead to protect the integrity of the process. The Project Lead will be responsible for co-ordinating all work related to the internal bid as well as working with the City's Information Technologies (IT) group to create a protected drive for document exchanges between the above team members.

The RFP will also clearly set out any advantage that the in-house Bid will have over other proponents by virtue of it being an in-house Bid. For instance, the in-house bid will not be required to submit any bid security upon bid submission or any performance security upon award of the Contract.

However, all proponents submitting a bid will be required to submit their bid based on a processing charge on a per tonne basis. In the preparation of the City's in-house Bid, a costing analysis will be completed to determine the City's costs to perform the work in the contract, including all capital requirements, labour related costs and any additional insurance or operational related costs.

All the foreseeable costs associated with the in-house Bid will be highlighted in the recommendation report brought back to Committee and Council for their consideration and approval

**APPENDICES AND SCHEDULES ATTACHED**

N/A