



TO: His Worship Mayor Harrison and Members of Council

FROM: Robert Niewenhuizen, Director of Engineering and Public Works

PREPARED BY: Gabriel Bau, City engineer and Jon Mills, Engineering Assistant

DATE: October 23, 2023

SUBJECT: **Municipal Facilities Solid Waste Collection and Disposal Services Contract Extension**

STAFF RECOMMENDATION

THAT: The contract for the collection and disposal of solid waste for the City of Salmon Arm’s municipal facilities, including garbage, recycling and food waste, be extended for a period of two (2) years, from January 1, 2024 to December 31, 2025.

BACKGROUND

A contract for Municipal Facilities Solid Waste Collection and Disposal Services, for the period of April 1, 2021 to December 31, 2023, was awarded to Waste Connections of Canada (Waste Connections) in March 2021 after conducting a competitive process. The contract provides the option to extend the term for two (2) successive one (1) year periods if both parties agree on it.

City staff and Waste Connections have mutually agreed to extend the contract for two (2) years, at the prices set in the original contract for 2024 and 2025.

The total annual cost to the City can be seen in the table below:

Year	Estimated Total Annual Cost*	Cost Increase	Percent Increase	Total Contract Value
2021	\$16,437	-	-	-
2022	\$17,419	\$982	6.0%	-
2023	\$18,196	\$772	4.5%	\$52,052
2024	\$18,985	\$789	4.3%	\$71,037
2025	\$19,773	\$788	4.2%	\$90,810

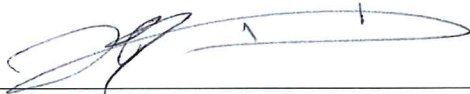
*Totals are based on the current bin sizes, locations and collections per year and include bin rental, collection and disposal fees, including tipping fees. Applicable taxes are not included.

Engineering services staff recommend extending the contract for two years at once, instead of extending the contract for one year at a time over the next two years. This reduces the administrative overhead associated with extending this contract again in one year, or tendering the service.

If was to be tendered out again, staff expect that the cost for the City would be higher, based on the high inflation rates observed since this contract was signed.

Waste Connections is providing excellent service, and Engineering Services staff recommends extending the contract.

Respectfully submitted,



Robert Niewenhuizen, ASCT
Director of Engineering and Public Works