



**STAFF REPORT
INFORMATION ONLY**

**Supply and Delivery of Organic Collection Containers
(Green Bin) and Latch Lock Kits**

Date:	January 31, 2007
To:	Public Works and Infrastructure Committee
From:	Richard Butts, General Manager, Solid Waste Management Services Lou Pagano, Director, Purchasing and Materials Management
Wards:	All
Reference Number:	p:2007/swms/feb/008PW.doc

SUMMARY

The intent of this report is to inform Council of the amendment and extension to Contract No. 47011505 for the Supply and Delivery of Organics Collection Containers and Latch Lock Kits. For the purpose of this report Organics Collection Containers includes both the Residential Curbside Green Bin and the Kitchen Catcher.

Changes to the contract were needed to ensure that a supply of Green Bin Program products would be available to residents at a variety of venues throughout the City including Environment Day Events, Home Hardware locations, select Works yards and transfer stations.

The impact of not securing a 2007 supply of these products would have affected the residential Green Bin Program in the following ways:

- Additional Organics Collection Containers and Latch Lock Kits would no longer be able to be purchased
- Broken Organics Collection Containers would no longer be able to be replaced
- New residents would not have the opportunity to pick up a free Organics Collection Container set
- Diversion rate for the program would be negatively affected

FINANCIAL IMPACT

The amendment to the current SAP Contract No. 47011505 for the extended period January 1, 2007 to December 31, 2007 results in an increase of \$691,672 from \$569,362 to \$1,261,034 inclusive of all taxes and charges for the Supply and Delivery of Organics Collection Containers and Latch Lock Kits. The total contract value net of GST is \$1,189,654.70.

Table 1

Product	Unit Price	Estimated Quantity	Cost	PST	GST	Total
Residential Curbside Green Bin	\$14.04	33,500	\$470,340	\$37,627	\$28,220	\$536,188
Kitchen Catcher	\$ 3.78	25,500	\$96,390	\$7,711	\$5,783	\$109,885
Raccoon Latch Lock Kits	\$ 8.00	5,000	\$40,000	\$3,200	\$2,400	\$45,600
Total Financial Impact for 2007 Operating Year			\$606,730	\$48,538	\$36,403	\$691,672

The cost has been incorporated in the 2007 Recommended Operating Budget of Solid Waste Management Services in the areas of: North and East Operational Support, South and West Operational Support, and Policy, Planning and Waste Diversion.

Table 2

Service	Account Name	2007 Budget	PST	Total Cost (net of GST)
SW270	Collections	\$432,780	\$34,622	\$467,402
SW170	Program Support	\$173,950	\$13,916	\$187,866
Total		\$606,730	\$48,538	\$655,268

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

DECISION HISTORY

At its meeting of February 13, 14 and 15, 2002 Council approved a report titled "Procurement and Distribution of Organic Collection Containers - Request for Proposals No. 0401-01-0282." The report authorized the purchase and delivery of Organics Collection Containers from Norseman Plastics Ltd. for the rollout of the residential Green Bin Program. Product quantities in this contract were based on every single family household receiving one no-charge Organics Collection Container set. City-wide implementation of the Green Bin Program was completed in the fall of 2005, and the contract expired December 31, 2005.

ISSUE BACKGROUND

To maintain the Green Bin Program in 2006, Solid Waste Management Services completed a Sole Source Request in accordance with the Toronto Municipal Code Chapter 195, Section 9b and 10f, and the Policy for Sole Source for Non-Competitive Procurement. The Norseman containers have a patent specific design element and as such could not be purchased through a competitive process. Contract No. 470411505 for \$499,440 was issued for the period of March 20, 2006 to December 31, 2006 to Norseman Plastics Ltd. for 26,000 Residential Curbside Green Bins, 23,000 Kitchen Catchers and 2,000 Latch Lock Kits.

The contract secured a supply of Organics Collection Containers and Latch Lock Kits for 2006 Environment Day Events, Home Hardware locations, select Works yards and transfer stations. The supply was for residents wishing to purchase additional containers and Latch Lock Kits or to replace their broken containers. Norseman Plastics Ltd. was selected as the 2006 supplier by sole source request as they were the only supplier who had a container with patent specific design elements that met the City of Toronto's specifications.

COMMENTS

In 2007, Solid Waste Management staff intends to re-evaluate the design and functionality of the current container with the goal of obtaining a second generation Green Bin. The evaluation will include examining opportunities for improvement to the existing model to develop non-restrictive specifications to allow for competitive bids to be issued to the marketplace.

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SIGNATURE

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