



**STAFF REPORT  
ACTION REQUIRED**

**Results of Request for Proposal No. 9119-13-3146  
Contract for the Long Term Waste Management Strategy**

<b>Date:</b>	October 4, 2013
<b>To:</b>	Public Works and Infrastructure Committee
<b>From:</b>	General Manager, Solid Waste Management Services Director, Purchasing and Materials Management
<b>Wards:</b>	All
<b>Reference Number:</b>	P:\2013\Cluster B\SWM\October\011PW (AFS#17466)

**SUMMARY**

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The purpose of this report is to advise on the results and request authority to award the Request for Proposal No. 9119-13-3146, for Long Term Waste Management Strategy to HDR Corporation being the highest scoring proponent. The objective of the Request for Proposal was to select a consultant to research, develop and draft a Long Term Waste Management Strategy for the City of Toronto.

**RECOMMENDATIONS**

**The General Manager, Solid Waste Management Services and the Director of Purchasing and Materials Management, recommend that:**

1. The Public Works and Infrastructure Committee, in accordance with Section 195-14C of Toronto Municipal Code Chapter 195 (Purchasing By-Law), authorize the General Manager of Solid Waste Management Services, to enter into an agreement with HDR Corporation, for the Long Term Waste Management Strategy, being the highest scoring proponent meeting the requirements of Request for Proposal No. 9119-13-3146 for completion the spring of 2015, as per the terms and conditions set out in the RFP, at a cost not to exceed \$1,896,883.55 net of all taxes, (\$1,930,268.70 net of HST recoveries).

## Financial Impact

The funding in the amount of \$1,930,268.70 required to carry out the Long Term Waste Management Strategy scope of work, as identified in the Request for Proposal for research and development, is available in the 2013 Approved Capital Budget and 2014 to 2022 Capital Plan for Solid Waste Management Services under the project Mechanical and Biological Treatment Facility/Solid Waste Management Master Plan (Account CSW013).

**Table 1: Long Term Waste Management Strategy: Research and Development  
Estimated Expenditures**

Year	Estimated Expenditure (net of HST recoveries)
2013	\$ 200,000.00
2014	\$1,730,268.70
Total	\$1,930,268.70

Furthermore, estimates for this project will also be included in the Recommended 2014 to 2023 Capital Plan for Solid Waste Management Services.

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

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## DECISION HISTORY

At its meeting of March 19, 2013, Public Works and Infrastructure Committee, Item PW21.1 entitled “Long Term Waste Management Strategy” requested the General Manager, Solid Waste Management Services, to report to the Public Works and Infrastructure Committee on June 19, 2013, with the proposed terms of reference and process for the development of a Long Term Waste Management Strategy, including the proposed principles, scope, statement of work, key deliverables, consultation, costs and timelines of the study, prior to initiating the Request for Proposal for a consultant.

The Public Works and Infrastructure Committee Decision document can be viewed at: <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2013.PW21.1>

At its meeting of July 16, 17, 18 and 19, 2013, City Council considered Item PW24.3 entitled “Long Term Waste Management Strategy – Terms of Reference” and adopted, among other items, the Terms of Reference as outlined in the Staff Report (June 4, 2013) from the General Manager, Solid Waste Management Services, as amended, and authorized the General Manager, Solid Waste Management Services to proceed with a Request for Proposals for a consultant to assist with the development of the Long Term Waste Management Strategy and to report to the Public Works and Infrastructure Committee with the recommended consultant, before awarding the contract.

The Staff Report (June 4, 2013) can be viewed at:

<http://www.toronto.ca/legdocs/mmis/2013/pw/bgrd/backgroundfile-59164.pdf>

The City Council Decision document can be viewed at:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2013.PW24.3>

## **ISSUE BACKGROUND**

Solid Waste Management Services staff is committed to achieving 70% diversion by 2016, which would extend the life of the Green Lane Landfill until 2036. However, there will still be a need for disposal capacity beyond that date and into the future. Solid Waste Management Services needs to look beyond 2036 and explore other long-term sustainability measures for management of the City's residual waste.

Solid Waste Management Services staff is initiating the development of a Long Term Waste Management Strategy for Toronto which will guide the Division's decision-making for the next 30 to 50 years. Staff issued a Request for Proposal to hire a professional consulting firm to assist with the development of the City's Long Term Waste Management Strategy.

City Council at its meeting of July 16, 17, 18 and 19, 2013 adopted the recommendations of the Public Works Infrastructure Committee requesting the General Manager of Solid Waste Management Services to report the results of the RFP to the Public Works Infrastructure Committee prior to award. This report identifies the successful proponent of the procurement process.

## **COMMENTS**

### Request for Proposal Scope of Work

The following section provides highlights of the Scope of Work for this Request for Proposals.

#### *Overview*

The Long Term Waste Management Strategy will focus on all waste generators, not only residential, that receive and use City Waste Management Division services and will provide a framework for solid waste management policy decisions for the next 30-50 years.

The Strategy will recommend waste management policies and programs, including the management of post diversion Residual waste, which are environmentally sustainable, socially acceptable and economically viable. All existing and new and emerging diversion and disposal options will be reviewed and considered in this process.

### *Project Timeline*

It is anticipated that the retained Consultant will complete the final Long Term Waste Management Strategy report by spring 2015.

The retained Consultant must be available to provide services until the conclusion of the contract.

### *Key Deliverables/Tasks*

This section provides a recommended work plan. Potential Proponents are encouraged to build upon the suggested work plan, incorporating innovative approaches and complementary tasks as they see fit. However, the recommended work plan is to be addressed as a minimum/without exception as noted in the evaluation criteria.

The recommended work plan is presented below.

**Table 2: Recommended Work Breakdown**

<b>Services for Long Term Waste Management Strategy</b>	
Task 1	Ongoing Project Management: Administration & Oversight
Task 2	Stakeholder and Public Consultation and Study Communications Plan
Task 3	Document Current Waste Management Profile
Task 4	Determine Needs
Task 5	Identify Options to Address Needs
Task 6	Screen Options and Identify Recommended Options
Task 7	Preparation of the Long Term Waste Management Strategy Document

### *Issues not in Scope*

The Long Term Waste Management Strategy will be a high level decision making document that will be used to guide Solid Waste Management Services staff and City Council in the coming years. The document will not deal with any issues around the location of potential facilities, including: any actual Environmental Assessments that may be required to develop some of the potential options; equipment or technology vendor selection for any options identified; or, pre-designs or conceptual designs of any facilities or options identified in the study.

Actual Environmental Assessments are not to be undertaken as part of this Strategy; however, all environmental approval requirements (e.g. Environmental Assessments, Environmental Compliance Approvals, or planning approvals) and associated costs and timelines must be provided for each option identified in the Scope.

Request for Proposal No. 9119-13-3146: Results

The Request for Proposal was issued by Purchasing and Materials Management (PMMD) for the Long Term Waste Management Strategy Report, on August 8, 2013 and was made available for download on the City's internet website and closed on September 9, 2013. There were a total of 12 twelve proponents that purchased the document from the PMMD website or picked-up a hard copy of the RFP document.

PMMD received 6 proposals submissions from the following companies:

- Conestoga-Rovers & Associates
- Golder Associates
- HDR Corporation
- RWDI Air Inc.
- SLR Consulting (Canada) Ltd.
- Stantec Consulting Ltd.

The proposal evaluation process was conducted by an evaluation and review team, consisting of Solid Waste Management Services Policy, Planning & Support personnel. The entire process was overseen by a Purchasing and Materials Management Division Buyer. A description of the evaluation criteria and weighting specified in the Request for Proposal is contained below in Table 3.

**Table 3: Evaluation Criteria**

<b>Criteria</b>	<b>Weighting</b>
Compliance with Mandatory Requirements	Pass-Fail
Proponent profile, experience and qualifications	20%
Qualifications and related experience of the Project Team and Team Manager	25%
Proposed Approach and Work Plan	35%
Cost of Services	20%

The range of final scores (out of 100 points) the proponents received was 37.5 to 84.95 points. HDR Corporation received the highest overall score.

Recommended Proponent - HDR Corporation.

The recommended proponent, HDR Corporation has partnered with Dillion Consulting Limited., Kelleher Environmental, KPMG LLP and Betty Muise Adult Education and Facilitation in order to deliver the Scope of Work outlined in the Request for Proposal.

HDR Corporation is an established consulting, engineering and architectural firm founded in 1917 that has been providing comprehensive solid waste management solutions for over 40 years. HDR Corporation is comprised of nearly 8,000 employees globally with approximately 200 office locations worldwide.

Dillion Consulting has approximately 650 staff worldwide and has been in business since 1946, providing science, technology and management focused services. They have experience delivering projects of similar nature including development of an integrated solid waste master plan for the District of North Vancouver and a long range master plan for the District of Muskoka. In addition to this experience, the Dillion Consulting Limited staff assigned to the Long Term Waste Management Strategy brings forward extensive experience in landfill planning, design, expansion and operations and 20+ years experience in public consultation and environmental assessment processes for waste management projects.

Kelleher Environmental is a Toronto-based consulting company with specific expertise in environmental research including but not limited to municipal waste diversion policy and planning, product stewardship and energy conservation. Betty Muise Adult Education and Facilitation has outstanding stakeholder consultation and facilitation experience in the area of waste management. Current and previous clients include Waste Diversion Ontario, Stewardship Ontario and Canadian Council of Ministers of the Environment. Kelleher Environmental and Betty Muise, recently facilitated a workshop and prepared a joint response on behalf of the Regional Public Works Commissioners of Ontario to the Ontario Ministry of the Environment on the newly proposed Waste Reduction Act (Bill 91). This experience directly aligns with the objective of determining Toronto's waste management needs within Ontario's legislative requirements over the 30-50 year planning horizon.

KPMG LLP, a subsidiary of KPMG International, is a world renowned firm with approximately 5,635 employees in Canada alone. The KPMG LLP staff assigned to Toronto's Long Term Waste Management Strategy brings extensive experience in the following areas: project finance, public-private partnership project management, procurement, infrastructure development, and municipal energy from waste financial modelling and analysis.

The proposal submitted by HDR Corporation was provided with the highest scoring for several key reasons:

- 1) It demonstrated extensive experience in leading and participating in the development of long term waste management strategies with a similar scope of work and for cities of a similar nature, scale to that of Toronto. Past references included, but were not limited to, the City of Los Angeles, the City of New York, the Region of Peel and the Region of York. HDR Corporation and consortium members also have previous experience working together in the development and review of integrated and long term waste management systems.

- 2) The public and stakeholder consultation approach outlined in the proposal was especially well designed, comprehensive and had several value added components. For example, the use of hands-on waste-related activities for children was recommended to remove the barrier of parent participation. Additional value added components included, but were not limited to: filming of presentations for posting on website, digital voting tools and live tweeting during events. Their proposal also included the creation of six Councillor Newsletters at key milestones during the project. A total of 17 Stakeholder Advisory Group meetings and 12 Public Information Centres were included in the proposal which Staff consider to fully meet the needs contained in the Request for Proposal.
- 3) Additional tasks were included in the proposal that exceeded requirements in a way that adds distinct value to the City. These include, but are not limited to, providing separate options for the management of Multi-family (Multi-family units account for almost half of the City of Toronto's residential dwellings) and Single-family households and development of an Implementation Strategy for the recommended waste management system. This added component of the Strategy provides, but is not limited to the following:
  - A Transition Plan and Implementation Schedule to facilitate a move from the current system to future system (will include detailed timelines for the short term and general timelines in five-year intervals for years 10, 15, 20, and 25);
  - Contingency plans to address implementation risks;
  - Recommendations for future consultation with the public and community;
  - A performance monitoring and reporting program linked to proposed benchmarks to be used for system performance comparison and key performance parameters.

The Fair Wage Office has reported that HDR Corporation indicated that it has reviewed and understands the Fair Wage Policy and Labour Trade union requirements and has agreed to fully comply.

Details of the RFP process, including the Proponent's score by criteria, price comparison and staff analysis of the evaluation results can be provided in an in-camera presentation if requested by Committee Members.

## **CONTACT**

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## **SIGNATURE**

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