

# Memorandum

**Office of the VP (Administration and Finance)**  
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**TO:** Board of Governors  
**FROM:** Yves Beauchamp, Vice-Principal (Administration & Finance)  
**SUBJECT:** Contract for Waste Management Services on Downtown Campus  
**DATE:** April 26, 2018  
**DOCUMENT #:** GD17-60

**ACTION REQUIRED:**  INFORMATION  APPROVAL/DECISION

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**ISSUE & EXPECTED OUTCOME** Approval is sought to enter into a contract with a new provider for waste management services of the downtown campus.

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**BACKGROUND & RATIONALE** The current contract with Enviro Connexions expires on May 31, 2018. Following a 2008 Request for Proposals, the University entered into a firm 5-year contract, with options to renew. The last contract extension was approved by the Executive Committee in June 2016.

A public call for tenders (CFT) for a new contract was held during the winter of 2018 and four bidders submitted a tender. The successful tenderer is TTI Environnement Inc., with a price of \$470,450.40 per year (\$486,385 after tax and tax rebates), which will include collection services, landfill fees as well as the rental and maintenance of compactors. The bid compares favorably to the estimated \$593,000 annual expense for waste management with Enviro Connexion, which was part of the larger \$670,000 annual contract expense with this contractor and included both waste management and recycling.

The initial term is 5 years, during which the above annual pricing is applicable. An option to extend the new contract by an additional term of 5 years is included. The contract expense over the full potential term of 10 years is estimated at \$5 million.

The contract for recycling services will be tendered separately, and TTI Environnement will be ineligible to tender, due to the intrinsic conflict of interest between charging the University for landfilling volumes in the waste management services scope, and paying the University for clean paper and cartons as part of the scope of recycling services.

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**ALIGNMENT WITH MISSION AND STRATEGIC PRIORITIES** The University strives to maintain and improve the services it delivers to its community while obtaining the best price for such services. The CFT included the latest service standards and the results show a significant price reduction.

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<b>COMPLIANCE WITH UNIVERSITY POLICY</b>	The Terms and Conditions used as part of the CFT were provided by Legal Services.
<b>COMPLIANCE WITH LEGISLATION/ EXTERNAL REGULATIONS</b>	A public call for tenders was held given that the contract exceeded the public tendering threshold in accordance with the <i>Act respecting contracting by public bodies</i> .
<b>RISK FACTORS</b>	There is a risk to service continuity when the transition is made from the current service provider to the new service provider. To mitigate this risk, Procurement Services and Building Services staff will schedule an initial meetings to plan for the transition from Enviro Connexions to TTI and coordinate delivery of equipment. A site visit with TTI drivers and the McGill team will be required to optimize schedules and map routes.
<b>SUSTAINABILITY CONSIDERATIONS</b>	The new waste management contract contains multiple requirements derived from the University's <i>Waste Reduction and Diversion Strategy</i> , part of the <i>Climate and Sustainability Action Plan</i> (action O-3: "Develop a Waste Reduction and Diversion Plan"). The aforementioned separation of the recycling from the scope of the waste management services maximizes the potential of a higher recycling rate.
<b>IMPACT OF DECISION AND NEXT STEPS</b>	Upon Board approval, the contract will be signed, contractors will be advised, and the transition plan will be executed. The new contractor will begin to deliver services June 1, 2018.
<b>MOTION OR RESOLUTION FOR APPROVAL</b>	<p><i>Be it resolved that the Board of Governors, on the recommendation of the Vice-Principal (Administration and Finance), approve a contract for waste management services on the downtown campus between The Royal Institution for the Advancement of Learning/McGill University and TTI Environnement Inc, for up to a ten-year term at a cost of \$5 million for the duration of the full term, expiring May 31, 2028.</i></p> <p><i>Be it further resolved that the Board of Governors authorize the Vice-Principal (Administration and Finance) to sign the contract and any related documents, provided that they are reviewed by Legal Services.</i></p>
<b>APPENDICES</b>	The contract is available upon request to the Secretariat.