

TO:	CHAIR AND MEMBERS FINANCE AND ADMINISTRATIVE SERVICES COMMITTEE MEETING ON MAY 7, 2012
FROM:	MARTIN HAYWARD CITY TREASURER, CHIEF FINANCIAL OFFICER
SUBJECT:	REQUEST FOR QUOTATION 12-24 MUNICIPAL HAZARDOUS AND SPECIAL WASTE SERVICE APPEAL UNDER SECTION 2.9 OF THE PROCUREMENT OF GOODS AND SERVICES POLICY

RECOMMENDATION

That, on the recommendation of the City Treasurer, Chief Financial Officer, the appeal under Section 2.9 of the Procurement of Goods and Services Policy by Buckham Transport **BE DENIED**.

BACKGROUND

There is a dispute mechanism in the Procurement of Goods and Services Policy, Section 2.9, which allows for proponents to appeal to the Committee, which is the authorizing body, prior to Council final approval, should they feel that there has been an injustice. Section 2.9 reads as follows:

2.9 The City recognizes that mistakes and misunderstandings may occur; bidders may feel aggrieved and may seek to dispute the recommendation of an award of a contract. To maintain the integrity of the process, bidders who believe they have been treated unfairly can make this known by contacting the Manager of Purchasing and Supply prior to the award of the contract. Disputes shall be resolved as follows:

- a. A meeting between the bidder and the Manager of Purchasing and Supply;
- b. If (a) does not lead to a resolution between the bidder and the City, the bidder may appeal the decision to the City Treasurer;
- c. If (b) does not lead to a resolution between the bidder and the City, the bidder may appeal the decision to the Committee. Committee's decision and City Council's approval is final.

There has not been an appeal to the Committee during this term of Council. Generally, proponents may not agree with the decision made, but understand the rationale for the decision upon review with either the Manager of Purchasing and Supply or the City Treasurer. It is rare for a proponent to dispute something as clear-cut as failure to acknowledge all addenda.

Request for Quotation 12-24 Municipal Hazardous and Special Waste Service , closed March, 20th, 2012, the final recommendation should be going to the May 14th, 2012 Civic Works Committee meeting. The RFQ dealt with recycling/disposal of Municipal Hazardous and Special Waste (MHSW) collected at the Household Special Waste (HSW) Depot at the W12A landfill.

Of the five (5) bids received, two (2) were rejected for failure to acknowledge the second addenda at time of closing on the form of Quotation. Buckham Transport was notified of their rejection on March 21st by Mr. Smith, Procurement Specialist.

The proponent Buckham Transport representative, George Rankin communicated by e-mail with Mr. Smith, Procurement Specialist and Mr. Freeman, the Manager of Purchasing and Supply, on March 22nd and had a meeting with them March 26th. On April 10th there was a meeting with Mr. Hayward, City Treasurer, Chief Financial Officer. Buckham Transport is still not satisfied that their bid should be rejected and has forwarded a separate document appealing the rejection to the Committee for their review.

Buckham Transport is appealing the rejection even though they conceded that it was their responsibility to acknowledge the second addenda, which was posted at 9.59 a.m. on Friday March 16, prior to the 2:00 p.m. deadline, the RFQ submission deadline was on Tuesday March 20th at 2:00 p.m.

In Schedule C of the Procurement of Goods and Services Policy, it clearly outlines that failure to acknowledge all addenda on the form of proposal, leads to automatic rejection. It also clearly outlines numerous times in the RFQ document the following: **FAILURE TO ACKNOWLEDGE RECEIPT OF ALL ADDENDA ON THE FORM OF QUOTATION WILL RESULT IN YOUR BID BEING REJECTED.** Legally the City can only consider “compliant” bids and since Buckham Transport failed to acknowledge Addendum #2, their bid was deemed to be non-compliant.

Although we have enjoyed a good relationship with Buckham Transport as they held this contract previously, we recommend that the appeal be denied.

Acknowledgements:

This report was prepared by Geoff Smith, Procurement Specialist, Purchasing and Supply.

PREPARED AND SUBMITTED BY:	CONCURRED BY:
JOHN FREEMAN MANAGER, PURCHASING AND SUPPLY	MIKE TURNER DEPUTY CITY TREASURER
RECOMMENDED BY:	
MARTIN HAYWARD CITY TREASURER, CHIEF FINANCIAL OFFICER	