

**TO:** CITY MANAGER

December 4, 2002

**FROM:** DIRECTOR FINANCE

**SUBJECT: CONTRACT FOR PROCESSING AND MARKETING RESIDENTIAL GREEN WASTE (ITEM NO. 18, CITY MANAGER'S REPORT NO. 22, AUGUST 28, 2000)**

**PURPOSE:** To obtain approval to enter into a contract for processing and marketing residential green waste.

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**RECOMMENDATION:**

1. THAT the City enter into a contract with Fraser Richmond Soil & Fibre Ltd. for processing and marketing residential green waste for a five year period, for an estimated annual cost of \$680,000.

**REPORT**

At its meeting on August 28, 2000, Council approved a report recommending the award of a contract for processing and marketing residential green waste to the only bidder, Fraser Richmond Bio-Cycle Ltd. (now Fraser Richmond Soil & Fibre Ltd.). The term of this award was for an initial 2 year period and allowed for three 12 month extensions.

This contract involves processing and marketing non-commercial compostable yard waste materials collected at the City's Yard Waste Drop-off Centre, as well as that collected by City crews curbside.

When discussing a contract extension with the Contractor, it was proposed that a 5 year contract would be more attractive than the optional one year extensions. The rates guaranteed by the recommended contract are slightly more favourable than those which resulted from the tender in 2000, principally because a longer supply of product is ensured. It bears noting that the City may opt out of the contract after three years, should the City undertake to operate and staff its own composting facility.

In weighing the merits of re-tendering the work, the City learned that Fraser Richmond Soil & Fibre is the only contractor in the region with the permits, facilities, track record and markets that meet the City's requirements and expectations.

Fraser Richmond Soil & Fibre has provided the subject services to the City since 1997, to the satisfaction of the Director Engineering. They have been in business since 1992 and presently hold an operating certificate issued by the Provincial Ministry of the Environment, and are licensed under the GVRD regulations.

City Manager

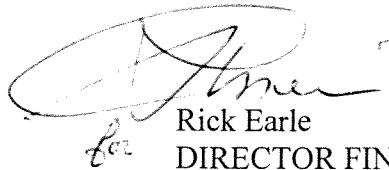
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Fraser Richmond proposes to market the compost for use as top soil, soil amendments and conditioners, bio-filters, potting soil and the like.

The funding for this work is provided in the Annual Operating Budget.

The Director Engineering concurs with the above recommendation.



for Rick Earle  
DIRECTOR FINANCE

cc. Director Engineering