

## Item 8.3.

### Section I – Items for Board of Directors Action

**TO:** Chair and Members of the Board of Directors  
Meeting #3/19, Friday, March 29, 2019

**FROM:** Michael Tolensky, Chief Financial and Operating Officer

**RE:** **VENDOR OF RECORD ARRANGEMENT FOR EMERGENCY RESPONSE TO SPILLS AND DISPOSAL OF HAZARDOUS WASTE**  
RFP No. 10008804

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#### KEY ISSUE

Award of Request for Proposal (RFP) No. 10008804 for a Vendor of Record (VOR) arrangement for emergency response to spills and disposal of hazardous waste.

#### RECOMMENDATION

**WHEREAS** Toronto and Region Conservation Authority (TRCA) is engaged in a variety of programs and projects that require a standby spills response contractor to provide on-demand spills cleanup and hazardous waste material disposal services;

**AND WHEREAS** TRCA solicited proposals through a publicly advertised process and evaluated the proposals based on the criteria outlined in this report;

**THEREFORE THE EXECUTIVE COMMITTEE RECOMMENDS THAT** TRCA staff be directed to establish a Vendor of Record arrangement with QM LP (dba QM Environmental) and Accuworx Inc. for the supply of emergency spills response and hazardous waste disposal services for a period of two (2) years with an option in TRCA's favor to renew for one (1) further year;

**AND THAT** if a situation is present, where the vendors of record are not available for a particular project, that staff be allowed to follow the Procurement Policy;

**AND FURTHER THAT** authorized TRCA officials be directed to take whatever action may be required to implement the contract, including obtaining any necessary approvals and the signing and execution of any documents.

#### BACKGROUND

TRCA undertakes over \$53 million in construction services per year, often near to or within sensitive natural areas, shorelines or sensitive marine environments. In addition to these construction services, TRCA operates several education facilities, parks, campgrounds and conservation areas across over 17,000 ha of land. Together, TRCA's construction and various land management activities pose a low frequency, but potentially very high consequence spills risk.

The Environmental Protection Act requires that the owner or controller of a spilled pollutant take every practicable action to prevent and eliminate negative effects of a spill, including actions to restore the natural environment to its original state. The costs of complying with these requirements can be substantial and in most cases, the sooner action is taken to both contain and subsequently clean a spill, the better the cost of spill response can be controlled.

## Item 8.3.

In order to finance the costs of responding to spills TRCA has purchased various forms of environmental impairment insurance on both project specific and program wide scales. While insurance provides a means to pay for the cleanup and potential liability of a TRCA caused spill, it does not provide an immediate response to spills.

TRCA staff emergency action plans include protocols to responding to various spills scenarios, and while to date TRCA has not caused a spill beyond staff's direct ability to respond, TRCA does regularly work within high consequence environments such as valley and stream corridors, shorelines and marine environments, and in some cases near to utility corridors. These types of environments have the potential of making containment of certain types of spills very difficult, and if quantities are significant, potentially beyond TRCA's response capabilities.

In addition to the exposure of spills risk, TRCA's land management operations are exposed from time to time with the need to handle large quantities of hazardous waste or other environmental contaminants. Some examples of waste that TRCA has had to handle or dispose of in the past included volatile chemicals, designated substances, drug lab waste, biohazardous materials, compressed gas canisters and many others. The handling of certain kinds of hazardous materials can pose a significant environmental as well as health and safety risk to TRCA staff. Where TRCA has had to enlist the services of hazardous waste contractors in the past, the costs have been significant.

TRCA requires emergency spills response and hazardous waste disposal on a VOR basis in order to provide a more robust response plan to both spills risk as well as its existing hazardous waste exposure. By establishing a VOR arrangement for emergency spills response and hazardous waste disposal, vendors are authorized to provide these services for a defined period of time and with fixed pricing. Staff may contact any vendor on the list with the expertise and experience required for their project or program requirements. Vendors will be required to provide all resources required to service the divisional or program needs in accordance with applicable laws, codes, standards, terms and conditions of the VOR agreement. The VOR arrangement will be subject to annual review in order to confirm that the vendors are providing an adequate level of service and to update any applicable insurance, certifications, or policies of the vendors.

### **RATIONALE**

RFP documentation was posted on the public procurement website [www.biddingo.com](http://www.biddingo.com) on September 25, 2018 and closed on October 26, 2018. A total of 9 firms downloaded the documents and 3 proposals were received from the following vendors:

- QM LP (dba QM Environmental);
- Accuworx Inc.; and
- Salandria Ltd.

An Evaluation Committee comprised of staff from Property and Risk Management and Restoration Projects reviewed the proposals. The criteria used to evaluate and select the recommended Proponents included the following:

## Item 8.3.

Criteria	Weight
Proponent's Information	10%
Key Personnel	10%
Experience and Qualification	30%
Scope of Services Capabilities	30%
<b>Sub-Total</b>	80%
Pricing	20%
<b>Sub-Total</b>	20%
<b>Total Points</b>	100%

Through the evaluation process it was determined that Accuworx Inc. and QM LP (dba QM Environmental) are first and second highest scoring vendors meeting the qualifications and requirements set out in the RFP. Therefore, staff recommends that contract No. 10008804 be awarded to Accuworx Inc. and QM LP (dba QM Environmental). Proponent's scores and staff analysis of the evaluation results can be provided in an in-camera presentation, upon request.

### **Relationship to Building the Living City, the TRCA 2013-2022 Strategic Plan**

This report supports the following strategic priority set forth in the TRCA 2013-2022 Strategic Plan:

### **Strategy 7 – Build partnerships and new business models**

### **FINANCIAL DETAILS**

TRCA has no major spills response costs on record. A review of the last three years of exposure show that staff had to expend \$40,000 to address hazardous waste dumping on TRCA lands. Due to our expansive land holdings, TRCA is exposed to significant uncertainty in potential cleanup and disposal costs.

An increase or decrease in workload will have an impact on the value of this contract. All vendors on the VOR list understand both the potential cost and resource implications associated with changes in workload. The goods and/or services will be provided on an "as required" basis with no minimum hours guaranteed. Vendors may increase hourly rates annually, to a maximum of the preceding year's Ontario's Consumer Price Index as published by Statistics Canada.

Costs associated with major spills are likely to be covered by TRCA's various pollution insurance policies, however the deductibles would be charged to the program responsible for the loss at hand. Hazardous waste cleanup costs and/or deductibles are likewise to be allocated to the responsible business unit for the affected facility. Staff will report to the Board of Directors on any costs incurred by TRCA net of insurance recoveries which exceed CEO authorization limits.

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