



Report to: General Committee

Date Report Authored: August 1, 2012

SUBJECT: Request for Proposal 035-Q-12 Public Space Waste
Recycling Receptacles System and Advertising Program

PREPARED BY: Claudia Marsales, Ext 3560
Patti Malone, Ext 2239

RECOMMENDATION:

- 1) That the Report entitled 'Request for Proposal 035-Q-12 Public Space Waste Recycling Receptacles System and Advertising' be received;
- 2) AND THAT the Request For Proposal (RFP) 035-12 for Public Space Waste Recycling Receptacles and Advertising program be awarded to Creative Outdoor Advertising the highest ranked / highest revenue bidder for a period of five years;
- 3) AND THAT the Director of Environmental Services and Manager Purchasing be authorized to extend the contract for a further period of five years as per terms of the RFP and subject to the satisfactory completion of the initial contract term;
- 4) AND THAT the annual guaranteed revenue of \$90,000.00 or 28% commission whichever is the greater as provided for in the RFP be included in the Waste Department Operating Budget beginning 2013;
- 5) AND THAT the Commissioner of Community & Fire Services and the Manager of Purchasing be authorized to execute the contract with Creative Outdoor Advertising in accordance to the terms of the Purchasing By Law and to the satisfaction of the City's Solicitor;

And that Staff be authorized and directed to do all things necessary to give effect to this resolution

PURPOSE:

The purpose of this report is to obtain approval to award the contract for RFP 035-Q12 issued for Public Space Waste/Recycling Receptacle system and Advertising program.

BACKGROUND:

The contract for Recycling in Public places was originally awarded to OMG (Olifas Marketing Group) in 2002 for a period of five years with an option to extend for an additional five year period. Due to the subsequent corporate buy outs and consolidations this contract was taken over by Eco Media Direct Inc in 2006. At the Council Meeting on May 8, 2007 the extension to the contract for an additional five year period was approved with Eco Media providing additional free advertising spaces for messaging from the City. The service is provided at no cost in exchange for advertising rights on the containers. While no revenue is attributed to the current program, the service offers a value added component in increased diversion, litter control, and avoided operational costs

OPTIONS/ DISCUSSION:

Appealing, well-designed, well-maintained and accessible public space recycling and waste containers are essential in maintaining a clean and litter free community. Markham has launched a number of initiatives to strengthen, celebrate and ultimately elevate the quality of our public spaces such as the Big Belly recycling units, heritage waste containers, and blue recycling containers in our parks.

Benefits of a public space recycling container program include:

- Reinforce recycling behaviours practised at home
- Raise profile of recycling in the community
- Reduce litter in public spaces: parks, streets, schools
- Opportunity to advertise Markham programs and initiatives
- Achieving a higher level of service and maintenance at no cost

The Public Space recycling program has been very successful and well accepted by the public. Markham's diversion was increased and programs such as Pesticide By Law, Zero Waste, Animal Care benefited from the use of available advertising space the containers.

BID INFORMATION:

Advertised, place and date	ETN
Bid closing date	June 1, 2012
Number picking up documents	6
Number responding to bid	2

PROPOSAL EVALUATION:

The evaluation team was comprised of staff from the Operation and Waste departments, with purchasing staff acting as the facilitator. The evaluation was based on pre-established evaluation criteria as detailed in the Request for Proposal: 10% Knowledge and Experience, 20% Maintenance Schedule, 20% Product Design and Aesthetics, 10% Value Added Products and Services, 10% Roll Out Schedule, 15% Commission and 15% Guaranteed Annual Revenue, totalling 100% with resulting scores as follows:

Vendor	Overall Score (out of 100)	Rank
Creative Outdoor Advertising	66	1
Eco-media	58	2

Note: The revenue scoring out of 30% was based on a split of 15% for commission and 15% for guaranteed annual revenue provided. Since both companies identified within their submission that they would only provide one or the other, the scoring for revenue was based on the guaranteed annual revenue.

Two companies submitted bids: Eco Media Direct and Creative Outdoor Advertising. Eco Media is Markham's current public space service provider and Creative Outdoor Advertising has provided a similar service to York Region.

Staff is recommending a contract with Creative Outdoor Advertising based on the best overall value based on experience, knowledge, business reputation, and financial stability, length of time in business, references and revenue.

The Creative Outdoor Advertising (COA) proposal was evaluated and achieved the highest score with a financial return of 125% higher than that of Eco-media's submission. COA's only business over the past 25 years has been the successful implementation of public amenities advertising programs. They operate in more than 100 towns and cities throughout North America, with over 7,000 units in place. COA is currently YRT/Viva's provider for waste-recycling receptacle.

A detailed project plan is included in COA's proposal which includes activities to be completed for a transition from the existing program and a successful launch of the new program. Additionally, COA will provide twenty (20) bins to provide free advertising space for the City which is similar to the current arrangement with Eco-Media.

FINANCIAL CONSIDERATIONS AND TEMPLATE: (external link)

The guaranteed annual revenues of \$90,000.00 as submitted by the bidder will be included in the 2013 Waste Department Operating Budget. The contract stipulated revenues will be \$90,000 or 28% commission whichever is greater, as such Staff will monitor actual revenues through 2013 and amend future budgets as necessary.

HUMAN RESOURCES CONSIDERATIONS

Not Applicable

ALIGNMENT WITH STRATEGIC PRIORITIES:

Not Applicable

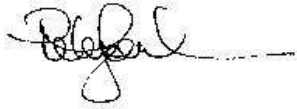
BUSINESS UNITS CONSULTED AND AFFECTED:

Finance and Legal

RECOMMENDED BY:

19/09/2012

X



Peter Loukes
Director, Environmental Services

9/19/2012

X



Paul Ingham
Director, Operations

9/19/2012

X



Brenda Librecz
Commissioner, Community & Fire Services

ATTACHMENTS: Presentation - Public Space Waste Recycling Receptacles System and Advertising Program