



**Report of the Auditor General
of the Ville de Montréal**
to the City Council and to the
Urban Agglomeration Council

For the Year Ended December 31, 2013

Amended - September 2014

**Contracts for the
Collection and Removal
of Residual Materials –
Household Waste and
Recyclable Materials –
from 2005 to 2013**

5.12

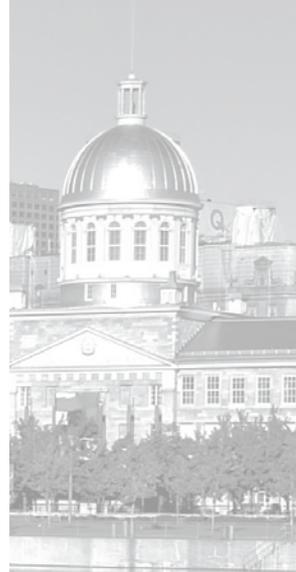


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List of Acronyms

CDN–NDG	Côte-des-Neiges–Notre-Dame-de-Grâce	RENA	Registre des entreprises non admissibles aux contrats publics
EPIM	Escouade de protection de l'intégrité municipale	SÉAO	Système électronique d'appel d'offres
MHM	Mercier–Hochelaga-Maisonneuve	SPVM	Service de police de la Ville de Montréal
RDP–PAT	Rivière-des-Prairies–Pointe-aux-Trembles	UPAC	Unité permanente anticorruption

5.12. Contracts for the Collection and Removal of Residual Materials – Household Waste and Recyclable Materials – from 2005 to 2013

1. Introduction

One of the major challenges facing municipalities is how to responsibly manage the residual materials produced on their territory. Managing residual materials not only involves disposal in landfill sites but also favours the application of the 3 Rs: reduction at source, reuse and recycling.

The term “residual materials” refers to all waste resulting from production, processing or use, as well as any substance, material, product or, more generally, any discarded personal property that the owner wishes to dispose of.¹ Residual materials include, among other things, household waste (e.g., food waste, ashes), recyclable materials (e.g., paper, cardboard, plastic, glass containers), green waste (e.g., weeds, leaves, grass clippings), hazardous household waste (e.g., oil, paint, pesticides), construction, renovation and demolition waste (e.g., wood, gypsum, concrete, metal) and bulky waste (e.g., furniture, household appliances).

Under the *Act respecting the exercise of certain municipal powers in certain urban agglomerations*,² responsibility for managing residual materials is divided, as follows:³

- The related municipalities and boroughs of the Ville de Montréal (the city) are responsible for the collection and removal of residual materials to recovery or disposal sites determined by the agglomeration. In the case of the city’s boroughs, this responsibility is contained in Section 136 of the *Charter of Ville de Montréal*,⁴
- The agglomeration is responsible for the recovery and disposal of all hazardous residual materials and the management of other hazardous items.

In exercising their powers, the city’s boroughs are responsible for planning and organizing the collection and removal of residual materials produced on their respective territory. They can choose to do this work internally or entrust it to a private contractor. The vast majority of

¹ Source: *Plan métropolitain de gestion des matières résiduelles – Vers une gestion responsable de notre environnement*, Communauté métropolitaine de Montréal, 2006.

² RSQ, chapter E-20.001.

³ Source: *Portrait 2012 des matières résiduelles de l’agglomération de Montréal – Réduire pour mieux grandir*, Ville de Montréal, Direction de l’environnement, second quarter of 2013.

⁴ RSQ, chapter C-11.4.

boroughs generally choose the second option and, depending on the expenditure involved, award service contracts after a call for public tenders, especially in the case of the collection and removal of household waste and recyclable materials.

The call for public tenders process, which is subject to the rules of Section 573 of the *Cities and Towns Act*⁵ (CTA) governing the awarding of contracts, consists of preparing the call for tenders documents, soliciting markets, analyzing the tenders received and, finally, awarding the contract to the lowest compliant tenderer. The various stages leading to approval of the awarding of a contract are obviously subject to the rules governing the delegation of powers specific to each borough.

In view of the strategies that have come to light regarding the awarding of infrastructure contracts and in an effort to clarify for the authorities the rules and practices that characterize this other business sector, represented by the collection and removal of household waste and recyclable materials, we felt it timely to perform an audit to gain an overall picture of the situation (e.g., number and monetary value of the awarded contracts and information about the contracted companies.)

2. Purpose and Scope of the Audit

The purpose of the audit was to identify the number and amounts of the contracts for the collection and removal of residual materials that were awarded by the city's 19 boroughs to various private companies and that were in force for the period from 2005 to 2013. It should be noted, however, that the primary focus of our audit was contracts for the collection and removal of household waste and recyclable materials. We also sought to ensure that there was open competition between contractors so as to enable the city to obtain the best prices. We set out simultaneously to ensure that the awarding of these contracts complied with existing laws, regulations, frameworks and processes in force at the city. It should also be noted that aspects related to the conversion and disposal of waste materials, which are the agglomeration's responsibility, were not included in this audit.

While our audit dealt primarily with the years 2005 to 2013 inclusively, it also took into account information initially provided up to January 2014. For some aspects, data from prior years was also taken into consideration. As well, following the tabling of the annual report in June 2014 and comments gathered from members of the Standing Committee on Finance and Administration, the Bureau du vérificateur général reviewed data compiled on the amounts of the contracts for the collection and removal of household waste and recyclable materials

⁵ RSQ, chapter C-19.

that were awarded by all the city's boroughs from 2005 to 2013. It should be noted that this review, which was completed in September 2014, became necessary primarily as a result of the provision by the boroughs of additional decision-making summaries related to the awarding of contracts that were not initially divulged at the time of the audit.

3. Summary of Findings

Our audit identified sectors that required improvements. Sections 3.1 and 3.2 below summarize the overall findings for the city and the boroughs.

3.1. Ville de Montréal

Regarding the organization of activities for the collection and removal of household waste and recyclable materials in the city's 19 boroughs, our findings showed that:

- Of some 40 companies that operate in this business sector, only 30 were awarded contracts by the boroughs, which were in force during the audited period from 2005 to 2013:
 - Seven companies received contracts for both the collection and removal of household waste and of recyclable materials, totalling \$295.4 million or 58.6% (\$295.4 million/\$504.1 million) of the total amount of the contracts in force during the audited period. Of these seven companies, four had the lion's share or 92.2% (\$272.5 million/\$295.4 million) of the total amount of the contracts in the boroughs for this business sector. These four leading companies were continually present in 17 boroughs. We concluded, moreover, that there was little competition between three of them when submitting a bid in response to a call for tenders;
 - Fifteen companies received contracts for the collection and removal of household waste only, totalling \$96.1 million or 19.1% (\$96.1 million/\$504.1 million) of the total amount of the contracts in force during the audited period in all the boroughs for the collection and removal of household waste and recyclable materials. Several companies in this group concentrated their activities in one or two boroughs;
 - Eight companies received contracts for the collection and removal of recyclable materials only, totalling \$112.6 million or 22.3% (\$112.6 million/\$504.1 million) of the total amount of contracts in force in the boroughs during the audited period for the collection and removal of household waste and recyclable materials. Of the eight companies that shared this business sector, two had the lion's share or 82.5% (\$92.9 million/\$112.6 million) of the total amount of the borough contracts for this business sector. More specifically, one of the two dominant companies in this business sector had contracts totalling \$60.8 million and was present in 13 boroughs,

while the other dominant company had contracts totalling \$32.1 million and was present in four boroughs.

- Ten of the 30 companies received contracts on a regular basis from 2005 to 2013, either for eight or nine years during this period.
- More specifically, regarding the collection and removal of household waste for the period from 2005 to 2013, we concluded that:
 - in nine boroughs, the same four companies always received 100% of the contracts;
 - in four boroughs, four companies received between 80% and 99% of the contracts;
 - in three boroughs, two companies received between 50% and 79% of the contracts.
- Finally, regarding the collection and removal of recyclable materials for the period from 2005 to 2013, we concluded that:
 - in six boroughs, three companies received 100% of the contracts;
 - in one borough, one company received between 80% and 99% of the contracts;
 - in 10 boroughs, five companies received between 50% and 79% of the contracts.

3.2. Boroughs

In order to compile and analyze the contracts for the collection and removal of household waste and recyclable materials, we examined all the decision-making summaries for the audited period. Our findings showed that:⁶

- Decision-making summaries were sometimes mute about not insignificant price differences (more than 15%) between the first and second lowest compliant bidder. Our review identified the following price differences:
 - 16% to 195% between bids for the collection and removal of household waste;
 - 16% to 284% between bids for the collection and removal of recyclable materials.
- In the case of 12 of the 19 boroughs, decision-making summaries did not always provide an explanation for the choice of successful bidder, especially when the company was the only tenderer to submit a compliant bid although several other companies had obtained the call for tenders documents.
- In the case of 5 of the 19 boroughs, decision-making summaries did not always provide an explanation for the choice of successful bidder, especially when the company was the only tenderer to submit a compliant bid although a limited number of companies (three or fewer) had obtained the call for tenders documents.
- In the case of the 19 boroughs, decision-making summaries did not explicitly document the justification for the choice of the successful bidder although a limited number of companies (two to three) had submitted a bid.

⁶ Note that the data in section 3.2 is the same as shown in the 2013 annual report; it was not updated in September 2014.

- In the case of 3 of the 19 boroughs, the decision-making summary did not always sufficiently document the reason that the bids received were non-compliant; only the mention “non-compliant bid” was sometimes indicated.
- In the case of 5 of the 19 boroughs, the decision-making summary did not explicitly document the justification for the choice of the successful tenderer that had not submitted the lowest bid.
- In the case of 6 of the 19 boroughs, the decision-making summaries that were prepared did not always mention the companies that withdrew the call for tenders documents.
- In some boroughs, we noted that related companies submitted simultaneous bids.
- In two boroughs, exercising of the renewal option provided for in the contracts was not necessarily endorsed by a borough council resolution.
- The bid analysis data used to document the recommendation of the choice of successful bidder was occasionally brief and varied from one borough to another, thus making comparisons difficult. The indicators generally used for comparative purposes are:
 - total cost with and without taxes;
 - annual cost with and without taxes;
 - weekly cost, per collection or residential unit served;
 - unit cost per metric tonne;
 - inclusion or exclusion of the consumer price index (CPI) and transportation price index (TPI).

4. Detailed Findings and Recommendations

During the audited period from 2005 to 2013 inclusively, 169 contracts were awarded to 30 specialized companies and in force in the city’s 19 boroughs for the collection and removal of household waste and recyclable materials on their respective territory. The awarding of these contracts followed the issuing of 128 public calls for tenders.

It should be noted that, until the end of 2011, the call for tenders process for the awarding of contracts in the boroughs was completely under the boroughs’ jurisdiction. Beginning on January 1, 2012, however, in the wake of the adoption by the urban agglomeration council of Ville de Montréal’s new purchasing policy on October 27, 2011, and of a new business model for “municipal procurement”, the Direction de l’approvisionnement⁷ was mandated for a period of two years⁸ to assume leadership in calling for tenders for the awarding of contracts for all the city’s business units. Under the new operating procedure, the boroughs remain

⁷ At the time of our audit, the Direction de l’approvisionnement reported to the Service de concertation des arrondissements et des ressources matérielles.

⁸ On December 16, 2013, city council approved a five-year extension of this operating procedure beginning on January 1, 2014.

responsible for preparing the call for tenders documents, which must then be sent to the Direction de l'approvisionnement for compliance review and approval. Subsequently, the entire call for tenders process is carried out by the Direction de l'approvisionnement (e.g., publication of the tender notice, publication of addenda, analysis of the bids received.) The borough council ultimately remains responsible for approving the contracts. The implementation of a common procurement framework for all of the city's business units enables the units to take full advantage of their purchasing power by harmonizing their business practices to deal consistently with suppliers with whom they do business.

It should be noted as well that a good number of these contracts were awarded at a time when new administrative and legislative measures came into effect to tighten the rules for awarding contracts, especially in the final four years of the audited period. The following measures are cited as examples:

- The coming into effect on March 1, 2010, of Bill 76 "*An Act to amend various legislative provisions principally with regard to the awarding process for contracts made by municipal bodies*",⁹ which resulted in the adoption by the city of its contract management policy in December 2010 (and revised in 2012 and 2013). This policy sets out measures aimed, among other things, at countering bid rigging and encouraging compliance with the *Lobbying Transparency and Ethics Act*,¹⁰ preventing acts of intimidation, influence peddling, corruption and conflicts of interest, and providing a framework for decisions authorizing amendments to a contract. The legislative measures set out in Bill 76 also prohibit, among other things, revealing, before the opening of tenders, any information that may be used to determine the number or the identity of the persons who have submitted a tender or requested a copy of the call for tenders, and requires municipal bodies to publish in the Système électronique d'appel d'offres (SÉAO) a list of the contracts that involve an expenditure of \$25,000 or more, as well as to establish an estimate of the price of a contract involving an expenditure of \$100,000 or more before any tenders are opened or the contract is entered into.
- The creation of the Registre des entreprises non admissibles aux contrats publics (RENA) in June 1, 2012, which is one of the measures adopted by the provincial legislator to ensure the ethical conduct of business enterprises wishing to enter into public contracts. RENA records the name of businesses that have committed an offence pursuant to a court ruling on an act or a regulation under the *Act respecting contracting by public bodies*,¹¹ in particular the Criminal Code and the *Income Tax Act*.¹² Businesses that are

⁹ LQ, 2010, chapter 1.

¹⁰ RSQ, chapter T-11.011.

¹¹ RSQ, chapter C-65.1.

¹² LQ (1985), chapter 1 (5th suppl.).

listed in the RENA cannot be awarded a public contract or a public subcontract or seek to enter into a contract in the course of its execution, for a maximum of five years.

- The coming into effect of the *Integrity in Public Contracts Act*¹³ on December 7, 2012, which requires businesses who wish to enter into a contract with a public agency or municipality to have prior authorization from the Autorité des marchés financiers (AMF).
- The announcement by the municipal administration on January 11, 2013, of the creation of the Escouade de protection de l'intégrité municipale (EPIM), which reports to the Service de police de la Ville de Montréal (SPVM). The EPIM's mandate is to protect the administrative integrity of the city, in particular with regard to the municipal tendering process, by dealing with information obtained especially of a criminal nature and by introducing prevention and detection mechanisms for schemes and ploys that sully the contract tendering process. It should be noted that, in December 2013, the EPIM was integrated into the Unité permanente anticorruption (UPAC), which reports to Québec's Public Safety Minister.

It was against this evolving administrative and legislative background, therefore, that the contracts in force for the period from 2005 to 2013 were awarded by the 19 city boroughs for the collection and removal of household waste and recyclable materials on their respective territory.

In order to draw as comprehensive a picture as possible, we began by asking the 19 boroughs to identify and send us all the relevant documentation that dealt specifically with contracts for the collection and removal of household waste and recyclable materials, in particular the list of awarded contracts in force between 2005 and 2013 and decision-making summaries, as well as the call for tenders documents related to each of these contracts.

To ensure that we had all the documents originally requested from the boroughs, we then examined the minutes of each borough's council meetings and the public contracts that were entered in SÉAO for these same years, and conducted a search through the city's decision-making record management system (GDD). It should be noted that, in order to identify previously awarded contracts that were still in force for a period that sometimes extended to 2008, a year that fell within our audit, we sometimes needed to expand our documentary search to the years 2002 to 2004. This was the case for five-year contracts and contracts that had been extended. Following a second request to the boroughs in summer 2014, we received additional decision-making summaries and made the necessary adjustments to the tables, as well as to the appendices. These adjustments were validated by the boroughs concerned.

¹³ LQ, 2012, chapter 25.

Before proceeding, we wish to issue the following caveats regarding the scope and results of our audit as presented in subsequent sections of this report:

- Bearing in mind the searches that we conducted and the additional decision-making summaries that we received, there remains a risk, however slight in our opinion, that the body of contracts¹⁴ in force from 2005 to 2013 is not comprehensive;
- In some cases, the contract amounts shown in the various tables of this report may exclude sales taxes;
- Although infrequent, some contract amounts shown in the various tables of this report may include the collection and removal of residual materials other than household waste and recyclable materials (e.g., the collection of green waste or Christmas trees), as well as certain fees for disposal in landfill sites. It was not always possible for us to separate the costs specifically submitted by the contracting firms from other elements that were not the focus of this mandate;
- We did not perform any cost trend analysis over time in the same borough or any comparative cost analysis between one borough and another for this activity.

Having issued this clarification, the following sections of this report will now present our findings regarding, on the one hand, the overall situation with respect to the contracts in force during the audited period for this business sector in all the city's boroughs and, on the other hand, the analysis of bids received and the documentation of decision-making summaries prepared by the boroughs for the awarding of contracts.

4.1. Ville de Montréal

The contracts for the collection and removal of household waste and recyclable materials, which were in force in the city's 19 boroughs from 2005 to 2013 inclusively, amounted to more than \$504 million. While the "market" for this business sector consisted of more than 40 private companies (42 in all), the costs we identified were for a total of 169 contracts awarded to 30 private companies. We concluded that these contracts were generally awarded on a multi-year basis ranging from two to five years.

For the period from 2005 to 2013, these 30 companies shared the market in the city's 19 boroughs, as follows:

- Seven of the companies received contracts for both the collection and removal of household waste and of recyclable materials. This type of service is identified by the letters "W/R" (for waste and recycling);

¹⁴ This refers to contracts for the collection and removal of household waste and recyclable materials.

- Fifteen of the companies received contracts for the collection and removal of household waste only. This type of service is identified by the letter “W”;
- Eight of the companies received contracts for the collection and removal of recyclable materials only. This type of service is identified by the letter “R”.

Table 1 shows the market share by type of service provided, along with the amount of the contracts received by these companies, in the city’s 19 boroughs for the years 2005 to 2013.

Table 1 – Market Share by Company from 2005 to 2013
(amounts indicated in thousands of dollars)

Business sector	No. of companies	Amount			Share
		Waste	Recycling	Total	
W/R	7	\$256,295	\$39,114	\$295,409	58.6%
W	15	\$96,093	\$–	\$96,093	19.1%
R	8	\$–	\$112,614	\$112,614	22.3%
Total	30	\$352,388	\$151,728	\$504,116	100.0%
Share		69.9%	30.1%	100.0%	

4.1.1. “Market” Distribution for the Collection and Removal of Household Waste and Recyclable Materials

4.1.1.A. Background and Findings

Table 2 shows, for each of the 30 companies awarded contracts by the 19 boroughs, the amount of the contract in force during the reference period, the company’s market share of the specific business sector (W/R, D and W),¹⁵ its market share compared with the total amount of the contracts awarded by the boroughs, and the number of boroughs in which the company was present.

¹⁵ Collection and removal of household waste and recyclable materials service (W/R), collection and removal of household waste service (W) and collection and removal of recyclable materials service (R).

Table 2 – Distribution by Amount of the Contracts in Force in the 19 Boroughs from 2005 to 2013
(amounts indicated in thousands of dollars)

Business sector	Rank/No. of companies	Company	Amount	% of the sector	% of the total city	No. of boroughs in which the company is present
W/R	1	Enlèvement de déchets Bergeron inc.	\$102,470	34.7%	20.3%	6
W/R	2	RCM Environnement inc./ RCI Environnement inc.	\$65,030	22.0%	12.9%	7
W/R	3	Services Matrec inc.	\$58,830	19.9%	11.7%	7
W/R	4	Entreprise Sanitaire F.A. Itée	\$46,182	15.6%	9.2%	4
W/R	5	9197-4220 Québec inc.	\$16,603	5.6%	3.3%	2
W/R	6	Théolis Transport inc.	\$5,574	1.9%	1.1%	2
W/R	7	Services Environnementaux du Richelieu	\$720	0.3%	0.1%	3
Total – sector	7		\$295,409	100.0%	58.6%	
W	1	JR Services Sanitaires	\$40,186	41.8%	8.0%	5
W	2	Camille Fontaine et Fils inc.	\$22,098	23.0%	4.4%	2
W	3	Recyclage Notre-Dame inc.	\$8,291	8.6%	1.6%	3
W	4	Transport Michel Beauchamp inc.	\$5,922	6.2%	1.2%	1
W	5	Services Environnementaux S.I.	\$4,387	4.6%	0.9%	1
W	6	Les Entreprises Sylvain Bissonnette inc.	\$4,133	4.3%	0.8%	1
W	7	Centres de Transbordement et de Valorisation Nord Sud inc.	\$2,726	2.8%	0.5%	1
W	8	Service Environnemental Canicchio inc.	\$1,916	2.0%	0.4%	2
W	9	Maurice Dumas	\$1,890	2.0%	0.4%	2
W	10	Multi-Recyclage S.D. inc.	\$1,641	1.7%	0.3%	2
W	11	Transport Sanitaire L.B. inc.	\$1,286	1.3%	0.3%	1
W	12	Forget et Frère transport	\$649	0.7%	0.1%	1
W	13	Excavation Vidolo Itée	\$513	0.5%	0.1%	1
W	14	Les Entreprises Raylobec inc.	\$366	0.4%	0.1%	1
W	15	Transport Rolland Chaperon inc.	\$89	0.1%	0.0%	1
Total – sector	15		\$96,093	100.0%	19.1%	
R	1	Rebuts Solides Canadiens inc.	\$60,848	54.0%	12.1%	13
R	2	Environnement Routier NRJ inc.	\$32,084	28.5%	6.4%	4
R	3	Service sanitaire Morin inc.	\$7,857	7.0%	1.6%	4
R	4	Les Fibres J.C. inc.	\$7,571	6.7%	1.5%	5
R	5	EBI Environnement inc.	\$1,703	1.5%	0.3%	1
R	6	Groupe Sani-Gestion inc.	\$1,675	1.5%	0.3%	2
R	7	Service Sanitaire R.S. inc.	\$785	0.7%	0.1%	1
R	8	Récupération Marronniers inc.	\$91	0.1%	0.0%	1
Total – sector	8		\$112,614	100.0%	22.3%	
Total – city	30		\$504,116		100.0%	

As a supplement to the information contained in Table 2, Appendix 6.1 of this report details the amount of all the contracts in force for each of the 30 companies during the audited period from 2005 to 2013, inclusively. Our examination of this information determined that 10 companies had regularly received contracts from 2005 to 2013, either for eight or nine years during this period (see Table 3).

Table 3 – List of the 10 Companies that Regularly Received Contracts from 2005 to 2013

Business sector	Rank/No. of companies	Company	Total amount of the contracts in force from 2005 to 2013
W/R	1	Enlèvement de déchets Bergeron inc.	\$102,469,789
W/R	2	RCM Environnement inc./ RCI Environnement inc.	\$65,030,162
R	3	Rebuts Solides Canadiens inc.	\$60,847,704
W/R	4	Services Matrec inc.	\$58,829,902
W/R	5	Entreprise Sanitaire F.A. Itée	\$46,182,201
W	6	JR Services Sanitaires	\$40,186,361
R	7	Environnement Routier NRJ inc.	\$32,084,089
W	8	Les Entreprises Sylvain Bissonnette inc. (with the exception of 2013)	\$4,133,075
W	9	Service Environnemental Canicchio inc.	\$1,916,334
W	10	Maurice Dumas	\$1,890,379
Total	10		\$413,569,996

We also concluded that five other companies were regularly active in this market starting in 2009 (see Table 4).

Table 4 – List of the Five Companies that Regularly Received Contracts from 2009 to 2013

Business sector	Rank/No. of companies	Company	Total amount of the contracts in force from 2009 to 2013
W	1	Camille Fontaine et Fils inc.	\$22,098,330
W/R	2	9197-4220 Québec inc.	\$16,603,742
W	3	Transport Michel Beauchamp inc.	\$5,922,306
W	4	Services Environnementaux S.I.	\$4,386,680
W	5	Excavation Vidolo Itée	\$513,017
Total	5		\$49,524,075

As for the other 15 companies (see Table 5), we concluded that their activities were primarily concentrated from 2005 to 2009.

Table 5 – List of the Other 15 Companies Present in the Market

Business sector	Rank/No. of companies	Company	Total amount of the contracts in force from 2005 to 2013
W	1	Recyclage Notre-Dame inc.	\$8,290,495
R	2	Service sanitaire Morin inc.	\$7,857,011
R	3	Les Fibres J.C. inc.	\$7,570,709
W/R	4	Théolis Transport inc.	\$5,573,860
W	5	Centres de Transbordement et de Valorisation Nord Sud inc.	\$2,726,092
R	6	EBI Environnement inc.	\$1,703,580
R	7	Groupe Sani-Gestion inc.	\$1,674,597
W	8	Multi-Recyclage S.D. inc.	\$1,640,394
W	9	Transport Sanitaire L.B. inc.	\$1,286,204
R	10	Service Sanitaire R.S. inc.	\$784,977
W/R	11	Services Environnementaux du Richelieu	\$719,954
W	12	Forget et Frère transport	\$648,640
W	13	Les Entreprises Raylobec inc.	\$365,990
R	14	Récupération Marronniers inc.	\$91,331
W	15	Transport Rolland Chaperon inc.	\$88,416
Total	15		\$41,022,250

4.1.1.1. Companies Present in both the Collection and Removal of Household Waste and of Recyclable Materials Sectors

4.1.1.1.A. Background and Findings

Seven companies were awarded 58.6% (\$295.4 million/\$504.1 million) of the total amount of contracts in force during the audited period for the collection and removal of household waste and recyclable materials in the boroughs (see Table 2 above).

Four of the companies¹⁶ in the group stand out because of their dominant position in the market, with 15.6% to 34.7% of contracts for both the collection and removal of household waste and of recyclable materials. These same four companies rank among the five leaders on the list of 30 companies that shared the market in the city's boroughs, with 9.2% to 20.3% of the contracts (see Table 2) in force in the boroughs for these activities from 2005 to 2013, representing the highest amount of all contracts or \$272.5 million (54.1%). Table 6 shows the amount of the contracts obtained by the four leading companies, by business sector and borough.

¹⁶ These companies are: Enlèvement de déchets Bergeron inc., RCM Environnement inc./RCI Environnement inc., Services Matrec inc. and Entreprise Sanitaire F.A. Itée.

**5.12. Contracts for the Collection and Removal of Residual Materials –
Household Waste and Recyclable Materials – from 2005 to 2013**

**Table 6 – Presence in the Boroughs of the
Four Leading Companies Involved in the
Collection and Removal of Household Waste
and Recyclable Materials from 2005 to 2013**

Enlèvement de déchets Bergeron inc.			
	Borough	Amount	Share
Household Waste	LaSalle	\$27,367,506	28%
	Saint-Léonard	\$20,852,313	22%
	Rosemont–La Petite-Patrie	\$19,848,102	21%
	Lachine	\$15,879,481	16%
	Anjou	\$12,059,271	13%
	Total	\$96,006,673	100%
Recyclable Materials	LaSalle	\$4,425,133	68%
	Montréal-Nord	\$2,037,983	32%
	Total	\$6,463,116	100%
	Combined total	\$102,469,789	

RCM Environnement inc./RCI Environnement inc.			
	Borough	Amount	Share
Household Waste	CDN–NDG ^[a]	\$18,384,869	30%
	Pierrefonds-Roxboro	\$16,409,878	27%
	RDP–PAT ^[b]	\$8,593,100	14%
	Villeray–Saint-Michel–Parc-Extension	\$8,461,273	14%
	L'Île-Bizard–Sainte-Geneviève	\$8,442,469	14%
	Le Sud-Ouest	\$388,233	1%
	Total	\$60,679,822	100%
Recyclable Materials	Pierrefonds-Roxboro	\$3,042,412	70%
	Montréal-Nord	\$1,307,928	30%
	Total	\$4,350,340	100%
	Combined total	\$65,030,162	

^[a] Côte-des-Neiges–Notre-Dame-de-Grâce.

^[b] Rivière-des-Prairies–Pointe-aux-Trembles.

Services Matrec inc.			
	Borough	Amount	Share
Household Waste	MHM ^[c]	\$12,877,796	34%
	Verdun	\$10,260,569	27%
	Outremont	\$6,113,031	16%
	Ville-Marie	\$4,433,984	12%
	Le Sud-Ouest	\$4,022,807	11%
	Total	\$37,708,187	100%
Recyclable Materials	MHM	\$15,789,921	75%
	Lachine	\$4,405,518	21%
	CDN–NDG	\$655,591	3%
	Verdun	\$270,685	1%
	Total	\$21,121,715	100%
	Combined total	\$58,829,902	

^[c] Mercier–Hochelaga-Maisonneuve.

Entreprise Sanitaire F.A. Itée			
	Borough	Amount	Share
Household Waste	Saint-Laurent	\$22,221,673	48%
	Montréal-Nord	\$17,205,089	37%
	MHM	\$6,603,404	15%
	Total	\$46,030,166	100%
Recyclable Materials	Lachine	\$152,035	100%
	Total	\$152,035	100%
Combined total		\$46,182,201	
Total for the 4 companies		\$272,512,054	54%

Based on the information compiled in Table 6, we also concluded that these four companies were present in a significant way in 17 of the 19 boroughs. The two exceptions were Ahuntsic-Cartierville and Le Plateau-Mont-Royal boroughs.

Our examination of the calls for tenders also determined that there was very little competition in tendering bids between the three first companies among the four major players on the territory of Montréal. Moreover, the distribution of their services for the collection and removal of household waste was often concentrated in boroughs that share the same territorial boundaries (see Appendix 6.10).

Finally, we concluded that the three remaining companies that had contracts for both the collection and removal of household waste were present in six boroughs only:

- 9197-4220 Québec inc.: present in two boroughs—Le Sud-Ouest and Verdun—with \$16.6 million or 3.3% of the total amount of the contracts in force in all the boroughs during the audited period;
- Théolis Transport inc.: present in two boroughs—Ahuntsic-Cartierville and RDP—PAT—with \$5.6 million or 1.1% of the total amount of the contracts in force in all the boroughs during the audited period;
- Services Environnementaux du Richelieu: present in three boroughs—L'Île-Bizard—Sainte-Geneviève, Le Plateau-Mont-Royal and Verdun—with \$0.7 million or 0.1% of the total amount of the contracts in force in all the boroughs during the audited period.

Appendix 6.2 of this report shows the boroughs in which each of the seven companies in this group was present, as well as the total amount of the contracts obtained.

4.1.1.2. Companies Present in the Collection and Removal of Household Waste Sector Only

4.1.1.2.A. Background and Findings

Fifteen companies make up this sector, which provides services for the collection and removal of household waste only (see Table 2). This business sector received 19.1% (\$96.1 million/\$504.1 million) of the total amount of contracts in force during the audited period for the collection and removal of household waste and recyclable materials in all the boroughs. Three groups stand out among these 15 companies (see Appendices 6.3 and 6.4):

- The first group, consisting of JR Services Sanitaires and of Camille Fontaine et Fils inc., obtained contracts in the amount of \$40.2 million and \$22.1 million respectively, or 64.8% (\$62.3 million/\$96.1 million) of this business sector. The first company was present in several boroughs since 2005, while the second company has only been in this market since 2009. Table 7 shows their respective presence in the boroughs and the amount of the contracts obtained.

Table 7 – Group 1 – Collection and Removal of Household Waste

JR Services Sanitaires		
Borough	Amount	Share
Ville-Marie	\$14,691,263	37%
Le Plateau-Mont-Royal	\$12,651,695	31%
Villeray–Saint-Michel–Parc-Extension	\$6,430,757	16%
Le Sud-Ouest	\$3,859,430	10%
Ahuntsic-Cartierville	\$2,553,216	6%
Total	\$40,186,361	100%

Camille Fontaine et Fils inc.		
Borough	Amount	Share
Ahuntsic-Cartierville	\$18,601,221	84%
RDP–PAT	\$3,497,109	16%
Total	\$22,098,330	100%

- The second group consists of five companies that obtained contracts ranging from \$2.7 million to \$8.3 million from 2005 to 2013. In most cases, they were present in only one borough, with the exception of the group leader (Recyclage Notre-Dame inc.), which was present in three boroughs. We also concluded that three of the five companies in this group shared the territory of the Villeray–Saint-Michel–Parc-Extension borough, representing 100% of the amount of the contracts obtained. Table 8 shows the presence of this group in the boroughs and the amount of the contracts obtained.

Table 8 – Group 2 – Collection and Removal of Household Waste

Recyclage Notre-Dame inc.		
Borough	Amount	Share
MHM	\$3,120,052	38%
RDP-PAT	\$2,674,400	32%
Rosemont-La Petite-Patrie	\$2,496,043	30%
Total	\$8,290,495	100%

Transport Michel Beauchamp inc.		
Borough	Amount	Share
Villeray-Saint-Michel-Parc-Extension	\$5,922,306	100%
Total	\$5,922,306	100%

Services Environnementaux S.I.		
Borough	Amount	Share
Villeray-Saint-Michel-Parc-Extension	\$4,386,680	100%
Total	\$4,386,680	100%

Les Entreprises Sylvain Bissonnette inc.		
Borough	Amount	Share
Le Sud-Ouest	\$4,133,075	100%
Total	\$4,133,075	100%

Centres de Transbordement et de Valorisation Nord Sud inc.		
Borough	Amount	Share
Villeray-Saint-Michel-Parc-Extension	\$2,726,092	100%
Total	\$2,726,092	100%

In addition, this group displayed the following characteristics for our reference period (2005–2013):

- Les Entreprises Sylvain Bissonnette inc. was continually present in the business sector since 2005 (with the exception of 2013);
 - Transport Michel Beauchamp inc. and Services Environnementaux S.I. were present in this business sector since 2009;
 - Recyclage Notre-Dame inc. and Centres de Transbordement et de Valorisation Nord Sud inc. were present in this business sector from 2005 to 2008. They did not receive any contracts in subsequent years.
- Finally, the third group consists of four companies that obtained contracts ranging from \$1.3 million to \$1.9 million from 2005 to 2013. In most cases, these companies were present in two boroughs, with the exception of one company that was present in only one borough. Table 9 shows these companies, the boroughs in which they were present and the amounts they received for their services.

Table 9 – Group 3 – Collection and Removal of Household Waste

Service Environnemental Canicchio inc.		
Borough	Amount	Share
Villeray–Saint-Michel–Parc-Extension	\$1,065,200	56%
Le Sud-Ouest	\$851,134	44%
Total	\$1,916,334	100%

Maurice Dumas		
Borough	Amount	Share
Le Plateau-Mont-Royal	\$1,846,559	98%
Villeray–Saint-Michel–Parc-Extension	\$43,820	2%
Total	\$1,890,379	100%

Multi-Recyclage S.D. inc.		
Borough	Amount	Share
Rosemont–La Petite-Patrie	\$1,577,179	96%
Saint-Léonard	\$63,215	4%
Total	\$1,640,394	100%

Transport Sanitaire L.B. inc.		
Borough	Amount	Share
Ahuntsic-Cartierville	\$1,286,204	100%
Total	\$1,286,204	100%

This group displayed the following characteristics for our reference period (2005–2013):

- Two of the companies—Service Environnemental Canicchio inc. and Maurice Dumas—were continually present in this sector since 2005 and each obtained contracts of \$1.9 million;
- The two other companies—Multi-Recyclage S.D. inc. and Transport Sanitaire L.B. inc.—were present in this business sector until 2009 inclusively in the case of the first company and 2008 inclusively in the case of the second company. They did not receive any contracts in subsequent years.

4.1.1.3. Companies Present only in the Collection and Removal of Recyclable Materials Sector

4.1.1.3.A. Background and Findings

Eight companies obtained 22.3% of the total number of contracts awarded by the boroughs for the collection and removal of recyclable materials (see Table 2).

Two of the companies¹⁷ in this group stand out because of their dominance of this business sector, i.e., 54.0% and 28.5% respectively of the number of contracts awarded, totalling \$92.9 million or 82.5% of this business sector. Of all the contracts awarded by the boroughs during the audited period, these two companies received 12.1% and 6.4% of the contracts for the collection and removal of household waste.

More specifically, we found that Rebut Solides Canadiens inc. was present in 13 boroughs and received contracts totalling \$60.8 million during the audited period (2005–2013), making it the group leader with a market share of 54.0% of contracts for the collection and removal of recyclable materials only. The second ranking company, Environnement Routier NRJ inc., was present in four boroughs for the collection and removal of household waste.

Two other companies—Service sanitaire Morin inc. and Les Fibres J.C. inc.—also stand out because of the high amounts of their contracts in force during the audited period, i.e., \$7.9 million and \$7.6 million respectively. We concluded, however, that they had not received contracts since 2012 in the case of the first company and since 2010 in the case of the second company. Service sanitaire Morin inc. was present in four boroughs, while Les Fibres J.C. inc. was present in five boroughs.

Table 10 shows the presence in the boroughs and the amount of the contracts in force during the audited period for these four companies.

Table 10 – Presence in the Boroughs of the Four Leading Companies Collection and Removal of Recyclable Materials

Rebut Solides Canadiens inc.		
Borough	Amount	Share
Ville-Marie	\$13,453,769	22%
Le Plateau-Mont-Royal	\$8,310,461	14%
Villeray–Saint-Michel–Parc-Extension	\$7,777,335	13%
CDN–NDG	\$5,940,906	10%
RDP–PAT	\$5,662,945	9%
Saint-Léonard	\$4,190,158	7%
Saint-Laurent	\$4,046,451	7%
Le Sud-Ouest	\$3,016,569	5%
Outremont	\$2,802,834	4%
Anjou	\$2,266,695	4%
Pierrefonds-Roxboro	\$1,656,679	3%
L'Île-Bizard–Sainte-Geneviève	\$1,432,307	2%
Verdun	\$290,595	0%
Total	\$60,847,704	100%

¹⁷ This refers to Rebut Solides Canadiens inc. and NRJ Environnement Routier inc.

**5.12. Contracts for the Collection and Removal of Residual Materials –
Household Waste and Recyclable Materials – from 2005 to 2013**

Environnement Routier NRJ inc.		
Borough	Amount	Share
Rosemont–La Petite-Patrie	\$17,488,738	54%
CDN–NDG	\$9,388,690	29%
LaSalle	\$2,743,314	9%
RDP–PAT	\$2,463,347	8%
Total	\$32,084,089	100%

Service sanitaire Morin inc.		
Borough	Amount	Share
Ahuntsic–Cartierville	\$4,279,116	55%
RDP–PAT	\$2,359,522	30%
Montréal–Nord	\$636,114	8%
Saint-Laurent	\$582,259	7%
Total	\$7,857,011	100%

Les Fibres J.C. inc		
Borough	Amount	Share
Saint-Léonard	\$2,487,313	33%
Pierrefonds–Roxboro	\$2,050,612	27%
Verdun	\$1,409,049	19%
Saint-Laurent	\$1,058,746	14%
L'Île-Bizard–Sainte-Geneviève	\$564,989	7%
Total	\$7,570,709	100%

Based on the information compiled in Table 10, we concluded that these four companies were present in 17 of the 19 boroughs. The Lachine and Mercier–Hochelaga-Maisonneuve boroughs were not involved. Moreover, with a few exceptions, there did not seem to be much competition between these companies.

Appendix 6.5¹⁸ of this report shows the amount of the contracts for the collection and removal of recyclable materials in force during the audited period for the eight companies. Appendix 6.6 shows the presence of each of these eight companies and the total amount of their related contracts.

Conclusion

By drawing this picture of the distribution of companies in the city's boroughs, we were able to reach the following conclusions, on the one hand, regarding the collection and removal of household waste for the period from 2005 to 2013 (see Appendix 6.10):

¹⁸ Appendix 6.5 shows an aggregate total of 15 companies, including the eight companies present in the collection and removal of recyclable materials sector exclusively and the seven other companies present in both the collection and removal of household waste and of recyclable materials sectors.

- In nine boroughs, the four same companies always received 100% of the contracts:
 - Enlèvement de déchets Bergeron inc.;
 - Entreprise Sanitaire F.A. Itée;
 - RCM Environnement inc./RCI Environnement inc.;
 - Services Matrec inc.
- In four boroughs, four companies received between 80% and 99% of the contracts:
 - Camille Fontaine et Fils inc.;
 - Enlèvement de déchets Bergeron inc.;
 - JR Services Sanitaires;
 - RCM Environnement inc./RCI Environnement inc.
- In three boroughs, two companies received between 50% and 79% of the contracts:
 - Services Matrec inc.;
 - JR Services Sanitaires.

On the other hand, regarding the collection and removal of recyclable materials for the period from 2005 to 2013 (see Appendix 6.11):

- In six boroughs, three companies received 100% of the contracts:
 - Environnement Routier NRJ inc.;
 - Rebut Solides Canadiens inc.;
 - Services Matrec inc.
- In one borough, one company received between 80% and 99% of the contracts:
 - Services Matrec inc.
- In 10 boroughs, five companies received between 50% and 79% of the contracts:
 - 9197-4220 Québec inc.;
 - Environnement Routier NRJ inc.;
 - Rebut Solides Canadiens inc.;
 - Service sanitaire Morin inc.;
 - Enlèvement de Déchets Bergeron inc.

Based on the information that we obtained, while the boroughs knew the companies that were operating on their respective territory, we were unable to confirm that they also knew the distribution of companies present from one borough to another across the entire territory of Montréal. In our opinion, knowing and sharing this information about the overall market is relevant for the city and the boroughs to enable them to perform comparative analyses and, if necessary, to implement measures that will ultimately foster healthy competition to obtain the best prices.

4.1.2. Amounts Allotted by the Boroughs for the Collection and Removal of Household Waste and Recyclable Materials

4.1.2.A. Background and Findings

The previous section presented primarily the “market” distribution between the various contracted companies for the collection and removal of household waste and recyclable materials on the city’s territory. This section presents an overall picture of the total amounts allotted by each borough, during the years 2005 to 2013, to ensure these services on their respective territory.

From 2005 to 2013, the boroughs allocated \$504.1 million for the collection and removal of household waste and recyclable materials (see Appendix 6.7), i.e., \$352.4 million (69.9%) for the collection and removal of household waste (see Appendix 6.8) and \$151.7 million (30.1%) for the collection and removal of recyclable materials (see Appendix 6.9).

Table 11 shows the amounts allotted by each borough to these activities.

Table 11 – Sums Allocated by the Boroughs for the Collection and Removal of Household Waste and Recyclable Materials from 2005 to 2013

Borough	Household Waste (W)		Recyclable Materials (R)		Total		W	R
	Amount	City share	Amount	City share	Amount	City share	Borough share	
Rosemont–La Petite-Patrie	\$24,434,341	7%	\$17,488,738	12%	\$41,923,079	8%	58%	42%
MHM	\$22,601,252	7%	\$15,789,921	11%	\$38,391,173	7%	59%	41%
Villeray–Saint-Michel–Parc-Extension	\$29,036,128	8%	\$7,777,335	5%	\$36,813,463	7%	79%	21%
LaSalle	\$27,367,506	8%	\$7,259,778	5%	\$34,627,284	7%	79%	21%
CDN–NDG	\$18,384,869	5%	\$15,985,187	11%	\$34,370,056	7%	53%	47%
Ville-Marie	\$19,125,247	5%	\$13,453,769	9%	\$32,579,016	6%	59%	41%
RDP–PAT	\$18,881,740	5%	\$10,485,814	7%	\$29,367,554	6%	64%	36%
Saint-Laurent	\$22,221,673	6%	\$6,531,599	4%	\$28,753,272	6%	77%	23%
Ahuntsic-Cartierville	\$22,440,641	6%	\$5,735,845	4%	\$28,176,486	6%	80%	20%
Saint-Léonard	\$20,915,528	6%	\$6,677,471	4%	\$27,592,999	5%	76%	24%
Verdun	\$20,310,726	6%	\$6,510,506	4%	\$26,821,232	5%	76%	24%
Montréal-Nord	\$17,205,089	5%	\$6,470,582	4%	\$23,675,671	5%	73%	27%
Pierrefonds-Roxboro	\$16,409,878	5%	\$6,749,703	4%	\$23,159,581	5%	71%	29%
Le Plateau-Mont-Royal	\$14,562,226	4%	\$8,310,461	5%	\$22,872,687	5%	64%	36%
Lachine	\$15,879,481	5%	\$4,557,553	3%	\$20,437,034	4%	78%	22%
Le Sud-Ouest	\$15,448,064	4%	\$4,046,399	3%	\$19,494,463	4%	79%	21%
Anjou	\$12,059,271	3%	\$3,097,149	2%	\$15,156,420	3%	80%	20%
L'Île-Bizard–Sainte-Geneviève	\$8,991,690	3%	\$1,997,296	1%	\$10,988,986	2%	82%	18%
Outremont	\$6,113,031	2%	\$2,802,834	2%	\$8,915,865	2%	69%	31%
Total or share	\$352,388,381	100%	\$151,727,940	100%	\$504,116,321	100%	70%	30%

While the average breakdown of sums allocated by the 19 boroughs was 70% for the collection and removal of household waste and 30% for the collection and removal of recyclable materials, this varied from one borough to another, ranging from 53% to 82% for the collection and removal of household waste and from 18% to 47% for the collection and removal of recyclable materials.

It should be noted that some boroughs performed all their own collection and removal of household waste internally. This is especially true of the Ahuntsic-Cartierville and Villeray–Saint-Michel–Parc-Extension boroughs, in which the collection and removal of recyclable materials was done internally from 2009 to 2013. Le Plateau-Mont-Royal borough performed the collection and removal of recyclable materials internally from 2010 to 2013. In the case of the Le Sud-Ouest borough, this service was provided internally from 2009 to 2011 inclusively, after which time it was contracted out (see Appendix 6.9).

In order to do a cost comparison from one borough to another, one needs to take into account—depending on whether the activities are for household waste or for recyclable materials—the fact that the prices submitted by the contractors are set according to various determining factors that are specific to the actual territory of each borough. Determining the costs of services can be influenced, in particular, by how the collection is done, either mechanically using bins designed for this purpose or traditionally, by routes travelled in the borough to collect the materials or by distances travelled to remove the collected materials from the borough to the landfill sites or recycling depots, by number of residential units served, by desired number of weekly collections or by volume (e.g., the number of metric tonnes) of materials to be removed.

While this exercise was not the focus of our audit, we believe, nonetheless, that by having a comprehensive picture over time of information about the companies that are contracted in the various boroughs and the annual cost trends by borough for the collection and removal of household waste and recyclable materials, the city would be better equipped, in particular, to:

- Bring together boroughs with similar territories and provide them with information to make relevant comparative analyses based on common units of measurement so that they are able to assess whether the prices submitted by contractors in the targeted business sector are reasonable;
- Determine situations in which contracts do not seem to have been awarded in open competition (indicators of collusion or territorial control of markets);
- Identify certain trends related to, among other things, contracting firms, market distribution and prices offered for services requested;

- Assess the situation and identify opportunities to review, if necessary, certain aspects related to the preparation of specifications books in order to foster healthy competition and to attract a greater number of companies that can submit a proposal.

4.1.2.B. Recommendation

We recommend that the Direction générale forward this report to the inspector general of the city once the act regarding the scope of the responsibilities of this position has been enacted, or to the Unité permanente anticorruption (UPAC) if circumstances warrant, to confirm or refute any basis for the concerns of the city's auditor general about collusion in the collection and removal of household waste and recyclable materials business sectors.

Business unit's response:

[TRANSLATION] The report was sent to the inspector general on May 6, 2014, with a copy to the SPVM, the EPIM and the UPAC. (Completed)

4.1.2.C. Recommendation

We recommend that, regarding the collection and removal of household waste and recyclable materials, the Direction générale:

- Draw a comprehensive picture annually of the contracts awarded by the boroughs to the various contractors;
- Forward these results to the political authorities (city council, executive committee);

in order to make elected officials aware of the distribution of contracts on the city's territory and to encourage, if necessary, the identification of possible solutions for eliminating collusion schemes and maintaining open competition between contractors.

Business unit's response:

[TRANSLATION] Mr. Jacques Ulysse, associate city manager for institutional services, will be given this mandate.

Focus of the mandate: *To draw up a comprehensive report each year of the contracts awarded by all the boroughs for the collection and removal of household waste and recyclable materials and to forward this report to the members of the executive committee and the city council.*

This comprehensive report will deal with current contracts for the collection and removal of waste, which generally extend over several years. (Planned completion: December of each year, beginning with December 2014)

4.1.2.D. Recommendation

We recommend that the Direction générale, in collaboration with the boroughs, develop common benchmark indicators between the various boroughs and neighbouring municipalities, including establishing differential reference pricing for the collection and removal of household waste and recyclable materials to secure the best possible prices.

Business unit's response:

[TRANSLATION] In 2014, the city will draw up a request for membership in the Ontario Municipal Benchmarking Initiative (OMBI). In order to meet the membership requirements, the city must provide data on a series of indicators for all municipal activities (including waste management) to enable comparison with other OMBI member municipalities. In doing so, the city will comply in part with recommendation 4.1.2.D. (Planned completion: membership in the OMBI – December 2015)

The Service de la performance organisationnelle will also need to establish a certain number of cost indicators for the collection and removal of recyclable materials to take into account the specific nature of the local markets (something the OMBI does not do). (Planned completion: development of specific indicators – December 2015)

4.2. Boroughs

4.2.A. Background and Findings

Generally speaking, depending on the amounts involved, the boroughs proceed by public calls for tenders for the collection and removal of household waste and recyclable materials. The documentation, which contains administrative and technical clauses, clearly defines the operational aspects that must be taken into consideration (e.g., boundaries and description of the territories, historical quantities, tonnages, residential units).

It should be noted that Ville de Montréal's purchasing policy applies to all the boroughs and central departments engaged in any contract awarding process. Under the heading [TRANSLATION] "Awarding and Management of Contracts" (Section 7.3), the policy specifically states:

[TRANSLATION] All contracts must be awarded after a thorough evaluation process that is the same for all tenderers, based on the criteria set out in the call for tenders and in compliance with the rules as stipulated. An analysis must be made of the administrative and technical compliance of the tenders and non-compliant tenderers will be notified and given the reasons for their non-compliance [...]

The boroughs use two processes to achieve this, i.e., a process for the public calls for tenders and receipt of bids and the process in force at the city to document decision-making regarding the choice of tenderer with the lowest bid that complies with the administrative and technical requirements.

As regards the documentation for the public call for tenders, good practices dictate that a list be drawn up of all the companies that have obtained the call for tenders documents. At the time of the public opening of bids, the clerk must then declare that the bid received complies with the required legal documents (e.g., insurance policies, bond, proof of status). In general, the minutes prepared by the clerk serve to attest to the availability of the required documents.

As regards the decision-making process, the unit responsible performs the technical analysis of the tender. In general, evaluation grids are prepared to compare the prices submitted by the bidding companies, to calculate the ratio corresponding to the price differences between the bids received, and to examine all additional information that can help decision-making in order to retain the lowest compliant bid from a technical standpoint. A decision-making record must then be prepared, containing all the relevant information to support the decision to recommend to the authority concerned that a contract be awarded. This record should report earlier decisions made, the chronology of the call for tenders process and financial considerations regarding overall and unit costs. In general, decision-makers expect that the decision-making record will contain all the relevant information needed to make an informed decision.

When analyzing bids, some indicative factors need to be taken into account to identify certain irregularities and to guide decision-making accordingly, such as:

- The number of companies that obtained the call for tenders documents compared to the number that actually submitted a bid;
- The existence of companies that submit bids without ever receiving contracts;
- The frequency with which the same company or the same limited group of companies that tender the lowest bid are awarded contracts over time;
- The existence of contracts awarded to a tenderer that did not have the lowest compliant bid;
- The presence of the same contracted company for many years in one borough;
- Cases of a single tenderer;

- An excessive price difference (greater than 15%) between the first and second tenderer;
- The existence of specific clauses or specifications (e.g., required equipment) in the call for tenders documents that favour some companies;
- The existence of complaints received from tenderers regarding the calls for offers.

When detected, these indicative factors should be documented by the business unit involved when preparing the decision-making summaries so that this information can support the authorities in making an informed decision.

During the course of our audit, we identified certain irregularities in the contracts awarded in each of the 19 boroughs. Based on the information contained in the minutes prepared at the time of the opening of the bids and the decision-making summaries, we examined the extent to which the business units clearly flagged these irregularities or these risks that they had found so that the authorities could make better decisions.

Our audit uncovered the following:¹⁹

- Decision-making summaries were sometimes mute about not insignificant price differences (more than 15%) between the first and second lowest compliant bidder. Our review identified the following price differences:
 - 16% to 195% between bids for the collection and removal of household waste;
 - 16% to 284% between bids for the collection and removal of recyclable materials.
- In the case of 12 of the 19 boroughs, decision-making summaries did not always provide an explanation for the choice of successful bidder, especially when the company was the only tenderer to submit a compliant bid although several other companies had obtained the call for tenders documents.
- In the case of 5 of the 19 boroughs, decision-making summaries did not always provide an explanation for the choice of successful bidder, especially when the company was the only tenderer to submit a compliant bid although a limited number of companies (three or fewer) had obtained the call for tenders documents.
- In the case of the 19 boroughs, decision-making summaries did not explicitly document the justification for the choice of the successful bidder although a limited number of companies (two to three) had submitted a bid.
- In the case of 3 of the 19 boroughs, the decision-making summary did not always sufficiently document the reason that the bids received were non-compliant; only the mention “non-compliant bid” was sometimes indicated.

¹⁹ Note that the data supporting these findings is the same as shown in the 2013 annual report; it was not updated in September 2014.

- In the case of 5 of the 19 boroughs, the decision-making summary did not explicitly document the justification for the choice of the successful tenderer that had not submitted the lowest bid.
- In the case of 6 of the 19 boroughs, the decision-making summaries that were prepared did not always mention the companies that withdrew the call for tenders documents.
- In some boroughs, we noted that related companies submitted simultaneous bids.
- In two boroughs, exercising of the renewal option provided for in the contracts was not necessarily endorsed by a borough council resolution.
- The bid analysis data used to document the recommendation of the choice of successful bidder was occasionally brief and varied from one borough to another, thus making comparisons difficult. The indicators generally used for comparative purposes are:
 - total cost with and without taxes;
 - annual cost with and without taxes;
 - weekly cost, per collection or residential unit served;
 - unit cost per metric tonne;
 - inclusion or exclusion of the consumer price index (CPI) and transportation price index (TPI).

That said, our audit helped identify several potential sources for improving the information that should be included in the decision-making summaries presented to the authorities to help them arrive at a decision. It should be noted, however, that our audit dealt with contracts in force over a nine-year period from 2005 to 2013, so it is likely that improvements were made over time by the boroughs to correct the irregularities that we found at the start of the audited period. Under the circumstances, we believe that each borough is responsible for assessing how it operates and taking the necessary measures to ensure that the irregularities that were found, if they still exist, do not continue.

5. General Conclusion

Our intention in auditing this business sector was to raise greater awareness among the political and administrative authorities and provide them with an added reason to intervene as soon as possible to eliminate collusion schemes that appear to exist in a sector other than infrastructure construction.

While we do not purport to show beyond a doubt that bid rigging exists among businesses to share contracts for the collection and removal of household waste and recyclable materials on the territory of the various boroughs, our audit brought to light a sufficient number of indicative factors to raise very serious suspicions that such a practice likely does exist to the

detriment of obtaining the best prices for the services requested. There were many indications of collusion leading to the same conclusion that a handful of contractors were receiving almost all the contracts for the collection and removal of household waste and of recyclable materials. Even more convincing was our finding that several boroughs, in the past nine years, had awarded exclusive contracts to a single contractor in these business sectors. Our research also revealed that several of these contracted businesses were affiliated, thus providing a greater potential for bid rigging. In the presence of openly competitive markets, this kind of situation would, at the very least, be unlikely.

Of course, the various measures taken by the provincial government and by the city in the past four years to tighten the rules for awarding contracts are likely to eliminate these illegal practices or at least to reduce their scope, but risks nevertheless remain.

It is also understood that the collection and removal of household waste and recyclable materials fall within the essential services that must be provided by the boroughs. The risk of collusion is undeniably increased by the fact that these services must be provided on a regular basis over a period of years. That said, we recognize that collusion is difficult to detect because it is the product of secret agreements between the stakeholders.

We are concerned, nevertheless, by the findings of our audit and believe that it is imperative that the city's various business units have the information they need to gain a comprehensive historical view of the distribution and scope of contracts awarded in these business sectors not only on their respective territory but also on the entire territory of Montréal. We believe that the municipal administration should develop, in collaboration with the boroughs, common oversight mechanisms to identify problem situations in which healthy competition does not seem to be occurring normally. The most convincing of these is a cost comparison between the boroughs and the various neighbouring municipalities to ensure that there are no unjustified price differences. We realize that such an approach is not easily put in place since several influencing factors must be taken into account in establishing differential reference pricing.

In our opinion, it is certainly easier to develop a common intervention strategy when the major players (administrative and political authorities) are fully aware of the scope of the problem affecting a large portion of the territory of Montréal. Collective will is often the best option for preventing and neutralizing a situation.

It is in this spirit, therefore, that we are forwarding the results of our audit to the municipal authorities. The ultimate goal is to help improve the management practices in these business sectors and enable free and open competition so that the citizens can receive fair value for

**5.12. Contracts for the Collection and Removal of Residual Materials –
Household Waste and Recyclable Materials – from 2005 to 2013**

the services provided. If our concerns prove to be well founded, it will be urgent to end these schemes as soon as possible and to take measures to ensure that all decision-makers, both administrative and political, obtain the best prices for the services requested.

6. Appendices

6.1. Contracts for the Collection and Removal of Household Waste and Recyclable Materials in Force from 2005 to 2013, by Company

Table A – Amounts of the Contracts in Force from 2005 to 2013, by Company Household Waste and Recyclable Materials

Rank	Business sector	Company	Contract amounts									Total	Share
			2005	2006	2007	2008	2009	2010	2011	2012	2013		
1	W/R	Enlèvement de déchets Bergeron inc.	\$9,082,862	\$12,198,847	\$12,954,354	\$13,205,602	\$12,651,917	\$11,507,208	\$9,678,885	\$10,360,563	\$10,829,551	\$102,469,789	20.3%
2	W/R	RCM Environnement inc./RCI Environnement inc.	\$8,750,772	\$9,187,481	\$9,279,765	\$9,931,326	\$5,611,006	\$6,141,358	\$5,536,593	\$5,274,916	\$5,316,945	\$65,030,162	12.9%
3	R	Rebuts Solides Canadiens inc.	\$8,504,842	\$8,849,731	\$9,065,025	\$6,986,459	\$3,499,051	\$4,435,823	\$5,824,212	\$6,662,167	\$7,020,394	\$60,847,704	12.1%
4	W/R	Services Matrec inc.	\$6,583,269	\$7,805,542	\$8,337,343	\$7,861,256	\$5,156,186	\$5,500,632	\$5,252,540	\$5,647,089	\$6,686,045	\$58,829,902	11.7%
5	W/R	Entreprise Sanitaire F.A. Itée	\$6,340,141	\$7,045,587	\$6,920,342	\$6,395,565	\$4,497,106	\$3,521,080	\$3,711,467	\$3,754,153	\$3,996,760	\$46,182,201	9.2%
6	W	JR Services Sanitaires	\$2,082,829	\$2,223,780	\$2,243,480	\$2,263,769	\$6,374,586	\$6,701,190	\$6,701,190	\$6,027,601	\$5,567,936	\$40,186,361	8.0%
7	R	Environnement Routier NRJ inc.	\$2,448,713	\$2,471,706	\$2,495,629	\$2,718,462	\$3,812,650	\$4,553,951	\$4,611,089	\$4,592,227	\$4,379,662	\$32,084,089	6.4%
8	W	Camille Fontaine et Fils inc.	\$-	\$-	\$-	\$-	\$3,434,290	\$3,571,661	\$4,850,178	\$5,032,148	\$5,210,053	\$22,098,330	4.4%
9	W/R	9197-4220 Québec inc.	\$-	\$-	\$-	\$-	\$2,805,833	\$2,805,833	\$2,805,833	\$4,028,836	\$4,157,407	\$16,603,742	3.3%
10	W	Recyclage Notre-Dame inc.	\$2,072,623	\$2,072,624	\$2,072,624	\$2,072,624	\$-	\$-	\$-	\$-	\$-	\$8,290,495	1.6%
11	R	Service sanitaire Morin inc.	\$1,054,628	\$1,054,628	\$1,054,628	\$1,115,232	\$1,604,774	\$1,337,007	\$636,114	\$-	\$-	\$7,857,011	1.6%
12	R	Les Fibres J.C. inc.	\$1,544,780	\$1,777,429	\$1,967,869	\$1,911,553	\$369,078	\$-	\$-	\$-	\$-	\$7,570,709	1.5%
13	W	Transport Michel Beauchamp inc.	\$-	\$-	\$-	\$-	\$1,184,461	\$1,184,461	\$1,184,461	\$1,184,461	\$1,184,462	\$5,922,306	1.2%
14	W/R	Théolis Transport inc.	\$359,083	\$359,083	\$359,083	\$379,480	\$2,038,183	\$2,078,948	\$-	\$-	\$-	\$5,573,860	1.1%
15	W	Services Environnementaux S.I.	\$-	\$-	\$-	\$-	\$877,336	\$877,336	\$877,336	\$877,336	\$877,336	\$4,386,680	0.9%
16	W	Les Entreprises Sylvain Bissonnette inc.	\$302,683	\$320,988	\$320,988	\$320,988	\$841,982	\$841,982	\$841,982	\$341,482	\$-	\$4,133,075	0.8%
17	W	Centres de Transbordement et de Valorisation Nord Sud inc.	\$681,523	\$681,523	\$681,523	\$681,523	\$-	\$-	\$-	\$-	\$-	\$2,726,092	0.5%
18	W	Service Environnemental Canicchio inc.	\$203,551	\$215,861	\$215,861	\$215,861	\$213,040	\$213,040	\$213,040	\$213,040	\$213,040	\$1,916,334	0.4%
19	W	Maurice Dumas	\$210,156	\$235,531	\$242,597	\$249,875	\$89,560	\$204,710	\$204,710	\$204,710	\$248,530	\$1,890,379	0.4%
20	R	EBI Environnement inc.	\$-	\$208,031	\$645,451	\$850,098	\$-	\$-	\$-	\$-	\$-	\$1,703,580	0.3%
21	R	Groupe Sani-Gestion inc.	\$195,401	\$353,677	\$406,437	\$406,437	\$259,886	\$52,759	\$-	\$-	\$-	\$1,674,597	0.3%
22	W	Multi-Recyclage S.D. inc.	\$478,327	\$492,610	\$507,320	\$98,922	\$63,215	\$-	\$-	\$-	\$-	\$1,640,394	0.3%
23	W	Transport Sanitaire L.B. inc.	\$321,551	\$321,551	\$321,551	\$321,551	\$-	\$-	\$-	\$-	\$-	\$1,286,204	0.3%
24	R	Service Sanitaire R.S. inc.	\$492,638	\$292,339	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$784,977	0.2%
25	W/R	Services Environnementaux du Richelieu	\$-	\$-	\$-	\$561,167	\$158,787	\$-	\$-	\$-	\$-	\$719,954	0.1%
26	W	Forget et Frère transport	\$156,646	\$163,998	\$163,998	\$163,998	\$-	\$-	\$-	\$-	\$-	\$648,640	0.1%
27	W	Excavation Vidolo Itée	\$-	\$-	\$-	\$-	\$86,349	\$106,667	\$106,667	\$106,667	\$106,667	\$513,017	0.1%
28	W	Les Entreprises Raylobec inc.	\$-	\$-	\$-	\$-	\$-	\$-	\$121,996	\$121,997	\$121,997	\$365,990	0.0%
29	R	Récupération Marronniers inc.	\$45,665	\$45,666	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$91,331	0.0%
30	W	Transport Rolland Chaperon inc.	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$88,416	\$88,416	0.0%
Total			\$51,912,683	\$58,378,213	\$60,255,868	\$58,711,748	\$55,629,276	\$55,635,646	\$53,158,293	\$54,429,393	\$56,005,201	\$504,116,321	100.0%

6.2. Distribution of Contracts for the Collection and Removal of Household Waste and Recyclable Materials in the Boroughs in Force from 2005 to 2013, by Company

Table B – Amounts of the Contracts in Force from 2005 to 2013 in the Boroughs, by Company Household Waste and Recyclable Materials

Enlèvement de déchets Bergeron inc.			
	Borough	Amount	Share
Household Waste	LaSalle	\$27,367,506	28%
	Saint-Léonard	\$20,852,313	22%
	Rosemont–La Petite-Patrie	\$19,848,102	21%
	Lachine	\$15,879,481	16%
	Anjou	\$12,059,271	13%
	Total	\$96,006,673	100%
Recyclable Materials	LaSalle	\$4,425,133	68%
	Montréal-Nord	\$2,037,983	32%
	Total	\$6,463,116	100%
	Combined total	\$102,469,789	

RCM Environnement inc./RCI Environnement inc.			
	Borough	Amount	Share
Household Waste	CDN-NDG	\$18,384,869	30%
	Pierrefonds-Roxboro	\$16,409,878	27%
	RDP-PAT	\$8,593,100	14%
	Villeray–Saint-Michel–Parc-Extension	\$8,461,273	14%
	L'Île-Bizard–Sainte-Geneviève	\$8,442,469	14%
	Le Sud-Ouest	\$388,233	1%
	Total	\$60,679,822	100%
Recyclable Materials	Pierrefonds-Roxboro	\$3,042,412	70%
	Montréal-Nord	\$1,307,928	30%
	Total	\$4,350,340	100%
	Combined total	\$65,030,162	

Services Matrec inc.			
	Borough	Amount	Share
Household Waste	MHM	\$12,877,796	34%
	Verdun	\$10,260,569	27%
	Outremont	\$6,113,031	16%
	Ville-Marie	\$4,433,984	12%
	Le Sud-Ouest	\$4,022,807	11%
	Total	\$37,708,187	100%
Recyclable Materials	MHM	\$15,789,921	75%
	Lachine	\$4,405,518	21%
	CDN-NDG	\$655,591	3%
	Verdun	\$270,685	1%
	Total	\$21,121,715	100%
	Combined total	\$58,829,902	

Entreprise Sanitaire F.A. Itée			
	Borough	Amount	Share
Household Waste	Saint-Laurent	\$22,221,673	48%
	Montréal-Nord	\$17,205,089	37%
	MHM	\$6,603,404	15%
	Total	\$46,030,166	100%
Recyclable Materials	Lachine	\$152,035	100%
	Total	\$152,035	100%
	Combined total	\$46,182,201	

9197-4220 Québec inc.			
	Borough	Amount	Share
Household Waste	Verdun	\$9,663,612	86%
	Le Sud-Ouest	\$1,544,745	14%
	Total	\$11,208,357	100%
Recyclable Materials	Verdun	\$4,365,555	81%
	Le Sud-Ouest	\$1,029,830	19%
	Total	\$5,395,385	100%
	Combined total	\$16,603,742	

Théolis Transport inc.			
	Borough	Amount	Share
Household Waste	RDP-PAT	\$4,117,131	100%
	Total	\$4,117,131	100%
Recyclable Materials	Ahuntsic-Cartierville	\$1,456,729	100%
	Total	\$1,456,729	100%
	Combined total	\$5,573,860	

**5.12. Contracts for the Collection and Removal of Residual Materials –
Household Waste and Recyclable Materials – from 2005 to 2013**

Services Environnementaux du Richelieu			
	Borough	Amount	Share
Household Waste	Verdun	\$386,545	71%
	L'Île-Bizard–Sainte-Geneviève	\$94,815	17%
	Le Plateau-Mont-Royal	\$63,972	12%
	Total	\$545,332	100%
Recyclable Materials	Verdun	\$174,622	100%
	Total	\$174,622	100%
	Combined total	\$719,954	

Total for all the companies present in both the collection and removal of household waste and of recyclable materials sectors	
7 companies	\$295,409,610

6.3. Contracts for the Collection and Removal of Household Waste in Force from 2005 to 2013, by Company

Table C – Amounts of the Contracts in Force from 2005 to 2013, by Company – Household Waste

Rank	Business sector	Company	Contract amounts									Total	Share
			2005	2006	2007	2008	2009	2010	2011	2012	2013		
1	W/R	Enlèvement de déchets Bergeron inc.	\$8,449,396	\$11,565,381	\$11,901,621	\$12,152,868	\$11,599,183	\$11,507,208	\$9,678,885	\$9,366,425	\$9,785,706	\$96,006,673	27.3%
2	W/R	RCM Environnement inc./ RCI Environnement inc.	\$8,750,772	\$9,187,481	\$9,279,765	\$9,931,326	\$4,206,162	\$4,463,533	\$4,522,456	\$5,021,382	\$5,316,945	\$60,679,822	17.2%
3	W/R	Entreprise Sanitaire F.A. Itée	\$6,340,141	\$7,045,587	\$6,920,342	\$6,395,565	\$4,497,106	\$3,521,080	\$3,711,467	\$3,754,153	\$3,844,725	\$46,030,166	13.1%
4	W	JR Services Sanitaires	\$2,082,829	\$2,223,780	\$2,243,480	\$2,263,769	\$6,374,586	\$6,701,190	\$6,701,190	\$6,027,601	\$5,567,936	\$40,186,361	11.4%
5	W/R	Services Matrec inc.	\$4,443,945	\$5,701,379	\$6,156,224	\$5,638,824	\$2,664,149	\$2,726,935	\$2,791,605	\$3,186,154	\$4,398,972	\$37,708,187	10.7%
6	W	Camille Fontaine et Fils inc.	\$-	\$-	\$-	\$-	\$3,434,290	\$3,571,661	\$4,850,178	\$5,032,148	\$5,210,053	\$22,098,330	6.3%
7	W/R	9197-4220 Québec inc.	\$-	\$-	\$-	\$-	\$1,932,722	\$1,932,722	\$1,932,722	\$2,666,524	\$2,743,667	\$11,208,357	3.2%
8	W	Recyclage Notre-Dame inc.	\$2,072,623	\$2,072,624	\$2,072,624	\$2,072,624	\$-	\$-	\$-	\$-	\$-	\$8,290,495	2.4%
9	W	Transport Michel Beauchamp inc.	\$-	\$-	\$-	\$-	\$1,184,461	\$1,184,461	\$1,184,461	\$1,184,461	\$1,184,462	\$5,922,306	1.7%
10	W	Services Environnementaux S.I.	\$-	\$-	\$-	\$-	\$877,336	\$877,336	\$877,336	\$877,336	\$877,336	\$4,386,680	1.2%
11	W	Les Entreprises Sylvain Bissonnette inc.	\$302,683	\$320,988	\$320,988	\$320,988	\$841,982	\$841,982	\$841,982	\$341,482	\$-	\$4,133,075	1.2%
12	W/R	Théolis Transport inc.	\$-	\$-	\$-	\$-	\$2,038,183	\$2,078,948	\$-	\$-	\$-	\$4,117,131	1.2%
13	W	Centres de Transbordement et de Valorisation Nord Sud inc.	\$681,523	\$681,523	\$681,523	\$681,523	\$-	\$-	\$-	\$-	\$-	\$2,726,092	0.8%
14	W	Service Environnemental Canicchio inc.	\$203,551	\$215,861	\$215,861	\$215,861	\$213,040	\$213,040	\$213,040	\$213,040	\$213,040	\$1,916,334	0.5%
15	W	Maurice Dumas	\$210,156	\$235,531	\$242,597	\$249,875	\$89,560	\$204,710	\$204,710	\$204,710	\$248,530	\$1,890,379	0.5%
16	W	Multi-Recyclage S.D. inc.	\$478,327	\$492,610	\$507,320	\$98,922	\$63,215	\$-	\$-	\$-	\$-	\$1,640,394	0.5%
17	W	Transport Sanitaire L.B. inc.	\$321,551	\$321,551	\$321,551	\$321,551	\$-	\$-	\$-	\$-	\$-	\$1,286,204	0.4%
18	W	Forget et Frère transport	\$156,646	\$163,998	\$163,998	\$163,998	\$-	\$-	\$-	\$-	\$-	\$648,640	0.1%
19	W/R	Services Environnementaux du Richelieu	\$-	\$-	\$-	\$386,545	\$158,787	\$-	\$-	\$-	\$-	\$545,332	0.1%
20	W	Excavation Vidolo Itée	\$-	\$-	\$-	\$-	\$86,349	\$106,667	\$106,667	\$106,667	\$106,667	\$513,017	0.1%
21	W	Les Entreprises Raylobec inc.	\$-	\$-	\$-	\$-	\$-	\$-	\$121,996	\$121,997	\$121,997	\$365,990	0.1%
22	W	Transport Rolland Chaperon inc.	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$88,416	\$88,416	0.0%
Total			\$34,494,143	\$40,228,294	\$41,027,894	\$40,894,239	\$40,261,111	\$39,931,473	\$37,738,695	\$38,104,080	\$39,708,452	\$352,388,381	100.0%

6.4. Distribution of Contracts in Force from 2005 to 2013 in the Boroughs for the Collection and Removal of Household Waste Only, by Company

**Table D – Amounts of the Contracts in Force
from 2005 to 2013 in the Borough, by Company
Household Waste**

JR Services Sanitaires		
Borough	Amount	Share
Ville-Marie	\$14,691,263	37%
Le Plateau-Mont-Royal	\$12,651,695	31%
Villeray–Saint-Michel–Parc-Extension	\$6,430,757	16%
Le Sud-Ouest	\$3,859,430	10%
Ahuntsic-Cartierville	\$2,553,216	6%
Total	\$40,186,361	100%

Camille Fontaine et Fils inc.		
Borough	Amount	Share
Ahuntsic-Cartierville	\$18,601,221	84%
RDP–PAT	\$3,497,109	16%
Total	\$22,098,330	100%

Recyclage Notre-Dame inc.		
Borough	Amount	Share
MHM	\$3,120,052	38%
RDP–PAT	\$2,674,400	32%
Rosemont–La Petite-Patrie	\$2,496,043	30%
Total	\$8,290,495	100%

Transport Michel Beauchamp inc.		
Borough	Amount	Share
Villeray–Saint-Michel–Parc-Extension	\$5,922,306	100%
Total	\$5,922,306	100%

Services Environnementaux S.I.		
Borough	Amount	Share
Villeray–Saint-Michel–Parc-Extension	\$4,386,680	100%
Total	\$4,386,680	100%

Les Entreprises Sylvain Bissonnette inc.		
Borough	Amount	Share
Le Sud-Ouest	\$4,133,075	100%
Total	\$4,133,075	100%

Centres de Transbordement et de Valorisation Nord Sud inc.		
Borough	Amount	Share
Villeray–Saint-Michel–Parc-Extension	\$2,726,092	100%
Total	\$2,726,092	100%

Service Environnemental Canicchio inc.		
Borough	Amount	Share
Villeray–Saint-Michel–Parc-Extension	\$1,065,200	56%
Le Sud-Ouest	\$851,134	44%
Total	\$1,916,334	100%

Maurice Dumas		
Borough	Amount	Share
Le Plateau-Mont-Royal	\$1,846,559	98%
Villeray–Saint-Michel–Parc-Extension	\$43,820	2%
Total	\$1,890,379	100%

Multi-Recyclage S.D. inc.		
Borough	Amount	Share
Rosemont–La Petite-Patrie	\$1,577,179	96%
Saint-Léonard	\$63,215	4%
Total	\$1,640,394	100%

Transport Sanitaire L.B. inc.		
Borough	Amount	Share
Ahuntsic-Cartierville	\$1,286,204	100%
Total	\$1,286,204	100%

Forget et Frère transport		
Borough	Amount	Share
Le Sud-Ouest	\$648,640	100%
Total	\$648,640	100%

Excavation Vidolo Itée		
Borough	Amount	Share
Rosemont–La Petite-Patrie	\$513,017	100%
Total	\$513,017	100%

Les Entreprises Raylobec inc.		
Borough	Amount	Share
L'Île-Bizard–Sainte-Geneviève	\$365,990	100%
Total	\$365,990	100%

Transport Rolland Chaperon inc.		
Borough	Amount	Share
L'Île-Bizard–Sainte-Geneviève	\$88,416	100%
Total	\$88,416	100%

Total for all the companies present exclusively in the collection and removal of household waste sector		
15 companies	\$96,092,713	

6.5. Contracts for the Collection and Removal of Recyclable Materials in Force from 2005 to 2013, by Company

Table E – Amounts of the Contacts in Force from 2005 to 2013, by Company – Recyclable Materials

Rank	Business sector	Company	Contract amounts									Total	Share
			2005	2006	2007	2008	2009	2010	2011	2012	2013		
1	R	Rebuts Solides Canadiens inc.	\$8,504,842	\$8,849,731	\$9,065,025	\$6,986,459	\$3,499,051	\$4,435,823	\$5,824,212	\$6,662,167	\$7,020,394	\$60,847,704	40.1%
2	R	Environnement Routier NRJ inc.	\$2,448,713	\$2,471,706	\$2,495,629	\$2,718,462	\$3,812,650	\$4,553,951	\$4,611,089	\$4,592,227	\$4,379,662	\$32,084,089	21.1%
3	W/R	Services Matrec inc.	\$2,139,324	\$2,104,163	\$2,181,119	\$2,222,432	\$2,492,037	\$2,773,697	\$2,460,935	\$2,460,935	\$2,287,073	\$21,121,715	13.9%
4	R	Service sanitaire Morin inc.	\$1,054,628	\$1,054,628	\$1,054,628	\$1,115,232	\$1,604,774	\$1,337,007	\$636,114	\$-	\$-	\$7,857,011	5.2%
5	R	Les Fibres J.C. inc.	\$1,544,780	\$1,777,429	\$1,967,869	\$1,911,553	\$369,078	\$-	\$-	\$-	\$-	\$7,570,709	5.0%
6	W/R	Enlèvement de déchets Bergeron inc.	\$633,466	\$633,466	\$1,052,733	\$1,052,734	\$1,052,734	\$-	\$-	\$994,138	\$1,043,845	\$6,463,116	4.3%
7	W/R	9197-4220 Québec inc.	\$-	\$-	\$-	\$-	\$873,111	\$873,111	\$873,111	\$1,362,312	\$1,413,740	\$5,395,385	3.6%
8	W/R	RCM Environnement inc./ RCI Environnement inc.	\$-	\$-	\$-	\$-	\$1,404,844	\$1,677,825	\$1,014,137	\$253,534	\$-	\$4,350,340	2.9%
9	R	EBI Environnement inc.	\$-	\$208,031	\$645,451	\$850,098	\$-	\$-	\$-	\$-	\$-	\$1,703,580	1.1%
10	R	Groupe Sani-Gestion inc.	\$195,401	\$353,677	\$406,437	\$406,437	\$259,886	\$52,759	\$-	\$-	\$-	\$1,674,597	1.1%
11	W/R	Théolis Transport inc.	\$359,083	\$359,083	\$359,083	\$379,480	\$-	\$-	\$-	\$-	\$-	\$1,456,729	1.0%
12	R	Service Sanitaire R.S. inc.	\$492,638	\$292,339	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$784,977	0.5%
13	W/R	Services Environnementaux du Richelieu	\$-	\$-	\$-	\$174,622	\$-	\$-	\$-	\$-	\$-	\$174,622	0.1%
14	W/R	Entreprise Sanitaire F.A. Itée	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$152,035	\$152,035	0.1%
15	R	Récupération Marronniers inc.	\$45,665	\$45,666	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$91,331	0.0%
Total			\$17,418,540	\$18,149,919	\$19,227,974	\$17,817,509	\$15,368,165	\$15,704,173	\$15,419,598	\$16,325,313	\$16,296,749	\$151,727,940	100.0%

6.6. Distribution of Contracts in Force from 2005 to 2013 in the Boroughs for the Collection and Removal of Recyclable Materials Only, by Company

Table F – Amounts of the Contracts in Force from 2005 to 2013 in the Boroughs, by Company Recyclable Materials

Rebuts Solides Canadiens inc.		
Borough	Amount	Share
Ville-Marie	\$13,453,769	22%
Le Plateau-Mont-Royal	\$8,310,461	14%
Villeray–Saint-Michel–Parc-Extension	\$7,777,335	13%
CDN–NDG	\$5,940,906	10%
RDP–PAT	\$5,662,945	9%
Saint-Léonard	\$4,190,158	7%
Saint-Laurent	\$4,046,451	7%
Le Sud-Ouest	\$3,016,569	5%
Outremont	\$2,802,834	4%
Anjou	\$2,266,695	4%
Pierrefonds-Roxboro	\$1,656,679	3%
L'Île-Bizard–Sainte-Geneviève	\$1,432,307	2%
Verdun	\$290,595	0%
Total	\$60,847,704	100%

Environnement Routier NRJ inc.		
Borough	Amount	Share
Rosemont–La Petite-Patrie	\$17,488,738	54%
CDN–NDG	\$9,388,690	29%
LaSalle	\$2,743,314	9%
RDP–PAT	\$2,463,347	8%
Total	\$32,084,089	100%

Service sanitaire Morin inc.		
Borough	Amount	Share
Ahuntsic-Cartierville	\$4,279,116	55%
RDP–PAT	\$2,359,522	30%
Montréal-Nord	\$636,114	8%
Saint-Laurent	\$582,259	7%
Total	\$7,857,011	100%

**5.12. Contracts for the Collection and Removal of Residual Materials –
Household Waste and Recyclable Materials – from 2005 to 2013**

Les Fibres J.C. inc.		
Borough	Amount	Share
Saint-Léonard	\$2,487,313	33%
Pierrefonds-Roxboro	\$2,050,612	27%
Verdun	\$1,409,049	19%
Saint-Laurent	\$1,058,746	14%
L'Île-Bizard–Sainte-Geneviève	\$564,989	7%
Total	\$7,570,709	100%

EBI Environnement inc.		
Borough	Amount	Share
Montréal-Nord	\$1,703,580	100%
Total	\$1,703,580	100%

Groupe Sani-Gestion inc.		
Borough	Amount	Share
Saint-Laurent	\$844,143	50%
Anjou	\$830,454	50%
Total	\$1,674,597	100%

Service Sanitaire R.S. inc.		
Borough	Amount	Share
Montréal-Nord	\$784,977	100%
Total	\$784,977	100%

Récupération Marronniers inc.		
Borough	Amount	Share
LaSalle	\$91,331	100%
Total	\$91,331	100%

Total for all the companies present exclusively in the collection and removal of recyclable materials sector	
8 companies	\$112,613,998

6.7. Contracts for the Collection and Removal of Household Waste and Recyclable Materials in Force from 2005 to 2013, by Borough

Table G – Amounts of the Contracts in Force from 2005 to 2013, by Borough Household Waste and Recyclable Materials

Borough	Contract amounts									Total
	2005	2006	2007	2008	2009	2010	2011	2012	2013	
Ahuntsic-Cartierville	\$2,373,566	\$2,373,566	\$2,373,566	\$2,454,567	\$3,434,290	\$3,571,661	\$3,714,528	\$3,863,109	\$4,017,633	\$28,176,486
Anjou	\$1,367,813	\$1,390,048	\$1,657,566	\$1,657,566	\$1,868,914	\$1,939,364	\$1,750,559	\$1,762,295	\$1,762,295	\$15,156,420
CDN-NDG	\$4,314,627	\$4,621,355	\$4,603,484	\$3,172,622	\$3,348,320	\$3,448,921	\$3,552,246	\$3,581,383	\$3,727,098	\$34,370,056
L'Île-Bizard-Sainte-Genève	\$912,901	\$945,457	\$968,471	\$1,280,456	\$1,092,265	\$1,154,669	\$1,259,838	\$1,671,404	\$1,703,525	\$10,988,986
Lachine	\$1,478,494	\$2,712,895	\$2,576,519	\$2,665,025	\$2,286,879	\$2,465,904	\$2,005,328	\$1,924,268	\$2,321,722	\$20,437,034
LaSalle	\$2,491,671	\$4,229,622	\$4,844,219	\$4,844,220	\$4,815,822	\$4,459,576	\$3,142,808	\$2,899,673	\$2,899,673	\$34,627,284
MHM	\$4,043,762	\$4,134,959	\$4,169,557	\$4,356,597	\$3,858,348	\$3,921,134	\$3,985,804	\$4,354,097	\$5,566,915	\$38,391,173
Montréal-Nord	\$2,783,948	\$3,198,619	\$3,046,051	\$2,455,242	\$2,003,687	\$2,091,108	\$2,345,553	\$2,805,592	\$2,945,871	\$23,675,671
Outremont	\$1,033,022	\$1,033,022	\$1,033,022	\$1,033,023	\$879,240	\$955,194	\$955,194	\$997,074	\$997,074	\$8,915,865
Pierrefonds-Roxboro	\$1,982,879	\$1,982,879	\$1,982,879	\$2,400,015	\$2,732,067	\$2,982,877	\$2,982,877	\$3,046,028	\$3,067,080	\$23,159,581
Le Plateau-Mont-Royal	\$2,559,286	\$2,859,574	\$2,954,399	\$2,981,966	\$2,378,630	\$2,284,708	\$2,284,708	\$2,284,708	\$2,284,708	\$22,872,687
RDP-PAT	\$3,860,231	\$3,957,111	\$4,055,922	\$4,069,309	\$3,206,263	\$3,270,390	\$2,263,352	\$2,319,295	\$2,365,681	\$29,367,554
Rosemont-La Petite-Patrie	\$4,829,928	\$4,927,789	\$4,999,513	\$4,802,782	\$4,456,359	\$4,476,677	\$4,476,677	\$4,476,677	\$4,476,677	\$41,923,079
Saint-Laurent	\$2,614,202	\$3,194,718	\$3,527,033	\$3,406,069	\$3,785,389	\$3,151,499	\$3,064,340	\$3,005,011	\$3,005,011	\$28,753,272
Saint-Léonard	\$2,889,733	\$2,907,452	\$2,937,489	\$2,864,186	\$3,273,043	\$3,245,656	\$3,113,151	\$3,157,728	\$3,204,561	\$27,592,999
Le Sud-Ouest	\$2,495,375	\$2,608,861	\$2,682,125	\$2,018,436	\$2,091,187	\$2,091,187	\$2,091,187	\$2,064,532	\$1,351,573	\$19,494,463
Verdun	\$2,015,205	\$3,192,801	\$3,580,283	\$3,724,976	\$2,861,593	\$2,861,593	\$2,861,593	\$2,861,594	\$2,861,594	\$26,821,232
Ville-Marie	\$3,294,430	\$3,406,970	\$3,442,685	\$3,653,201	\$3,695,992	\$3,702,540	\$3,747,562	\$3,793,936	\$3,841,700	\$32,579,016
Villeray-Saint-Michel-Parc-Extension	\$4,571,610	\$4,700,515	\$4,821,085	\$4,871,490	\$3,560,988	\$3,560,988	\$3,560,988	\$3,560,989	\$3,604,810	\$36,813,463
Total	\$51,912,683	\$58,378,213	\$60,255,868	\$58,711,748	\$55,629,276	\$55,635,646	\$53,158,293	\$54,429,393	\$56,005,201	\$504,116,321

6.8. Contracts for the Collection and Removal of Household Waste in Force from 2005 to 2013, by Borough

Table H – Amounts of the Contracts in Force from 2005 to 2013, by Borough – Household Waste

Borough	Contract amounts									Total
	2005	2006	2007	2008	2009	2010	2011	2012	2013	
Ahuntsic-Cartierville	\$959,855	\$959,855	\$959,855	\$959,855	\$3,434,290	\$3,571,661	\$3,714,528	\$3,863,109	\$4,017,633	\$22,440,641
Anjou	\$1,172,412	\$1,194,647	\$1,462,165	\$1,462,165	\$1,462,165	\$1,462,165	\$1,273,360	\$1,285,096	\$1,285,096	\$12,059,271
CDN-NDG	\$2,316,031	\$2,595,978	\$2,550,966	\$2,652,616	\$1,499,185	\$1,544,313	\$1,590,500	\$1,638,500	\$1,996,780	\$18,384,869
L'Île-Bizard-Sainte-Geneviève	\$741,212	\$773,768	\$796,782	\$1,230,534	\$853,423	\$834,530	\$969,262	\$1,382,007	\$1,410,172	\$8,991,690
Lachine	\$1,298,699	\$2,570,922	\$2,360,288	\$2,444,758	\$1,560,327	\$1,457,692	\$1,309,878	\$1,228,818	\$1,648,099	\$15,879,481
LaSalle	\$1,812,540	\$3,550,490	\$3,791,486	\$3,791,486	\$3,763,088	\$3,773,748	\$2,456,980	\$2,213,844	\$2,213,844	\$27,367,506
MHM	\$2,336,336	\$2,427,533	\$2,462,131	\$2,516,379	\$2,092,863	\$2,155,649	\$2,220,319	\$2,588,612	\$3,801,430	\$22,601,252
Montréal-Nord	\$2,291,310	\$2,698,249	\$2,400,600	\$1,605,144	\$1,359,447	\$1,427,420	\$1,709,439	\$1,811,454	\$1,902,026	\$17,205,089
Outremont	\$801,022	\$801,022	\$801,022	\$801,023	\$571,286	\$571,286	\$571,286	\$597,542	\$597,542	\$6,113,031
Pierrefonds-Roxboro	\$1,609,271	\$1,609,271	\$1,609,271	\$1,609,271	\$1,832,419	\$1,968,740	\$1,968,740	\$2,082,489	\$2,120,406	\$16,409,878
Le Plateau-Mont-Royal	\$796,047	\$892,162	\$918,928	\$946,495	\$1,869,762	\$2,284,708	\$2,284,708	\$2,284,708	\$2,284,708	\$14,562,226
RDP-PAT	\$2,739,400	\$2,791,000	\$2,842,700	\$2,894,400	\$2,038,183	\$2,078,948	\$1,135,650	\$1,169,039	\$1,192,420	\$18,881,740
Rosemont-La Petite-Patrie	\$2,950,373	\$3,048,234	\$3,119,958	\$2,770,284	\$2,492,844	\$2,513,162	\$2,513,162	\$2,513,162	\$2,513,162	\$24,434,341
Saint-Laurent	\$2,492,508	\$2,699,818	\$2,837,624	\$3,072,978	\$3,137,659	\$2,093,660	\$2,002,028	\$1,942,699	\$1,942,699	\$22,221,673
Saint-Léonard	\$2,317,709 ^[a]	\$2,317,709 ^[a]	\$2,299,055 ^[a]	\$2,407,108	\$2,470,323	\$2,407,108	\$2,232,172	\$2,232,172	\$2,232,172	\$20,915,528
Le Sud-Ouest	\$1,608,802	\$1,684,278	\$1,715,926	\$1,779,222	\$2,091,187	\$2,091,187	\$2,091,187	\$1,575,331	\$810,944	\$15,448,064
Verdun	\$1,655,967	\$2,833,563	\$3,221,045	\$2,936,539	\$1,932,722	\$1,932,722	\$1,932,722	\$1,932,723	\$1,932,723	\$20,310,726
Ville-Marie	\$1,899,668	\$2,012,208	\$2,047,923	\$2,119,354	\$2,238,950	\$2,201,786	\$2,201,786	\$2,201,786	\$2,201,786	\$19,125,247
Villeray-Saint-Michel-Parc-Extension	\$2,694,981	\$2,767,587	\$2,830,169	\$2,894,628	\$3,560,988	\$3,560,988	\$3,560,988	\$3,560,989	\$3,604,810	\$29,036,128
Total	\$34,494,143	\$40,228,294	\$41,027,894	\$40,894,239	\$40,261,111	\$39,931,473	\$37,738,695	\$38,104,080	\$39,708,452	\$352,388,381

^[a] We were unable to find any resolution of the borough council extending the contract that ended in April 2005.

6.9. Contracts for the Collection and Removal of Recyclable Materials in Force from 2005 to 2013, by Borough

Table I – Amounts of the Contracts in Force from 2005 to 2013, by Borough – Recyclable Materials

Borough	Contract amounts									Total
	2005	2006	2007	2008	2009	2010	2011	2012	2013	
Ahuntsic-Cartierville	\$1,413,711	\$1,413,711	\$1,413,711	\$1,494,712	Internally					\$5,735,845
Anjou	\$195,401	\$195,401	\$195,401	\$195,401	\$406,749	\$477,199	\$477,199	\$477,199	\$477,199	\$3,097,149
CDN-NDG	\$1,998,596	\$2,025,377	\$2,052,518	\$520,006	\$1,849,135	\$1,904,608	\$1,961,746	\$1,942,883	\$1,730,318	\$15,985,187
L'Île-Bizard-Sainte-Genève	\$171,689	\$171,689	\$171,689	\$49,922	\$238,842	\$320,139	\$290,576	\$289,397	\$293,353	\$1,997,296
Lachine	\$179,795	\$141,973	\$216,231	\$220,267	\$726,552	\$1,008,212	\$695,450	\$695,450	\$673,623	\$4,557,553
LaSalle	\$679,131	\$679,132	\$1,052,733	\$1,052,734	\$1,052,734	\$685,828	\$685,828	\$685,829	\$685,829	\$7,259,778
MHM	\$1,707,426	\$1,707,426	\$1,707,426	\$1,840,218	\$1,765,485	\$1,765,485	\$1,765,485	\$1,765,485	\$1,765,485	\$15,789,921
Montréal-Nord	\$492,638	\$500,370	\$645,451	\$850,098	\$644,240	\$663,688	\$636,114	\$994,138	\$1,043,845	\$6,470,582
Outremont	\$232,000	\$232,000	\$232,000	\$232,000	\$307,954	\$383,908	\$383,908	\$399,532	\$399,532	\$2,802,834
Pierrefonds-Roxboro	\$373,608	\$373,608	\$373,608	\$790,744	\$899,648	\$1,014,137	\$1,014,137	\$963,539	\$946,674	\$6,749,703
Le Plateau-Mont-Royal	\$1,763,239	\$1,967,412	\$2,035,471	\$2,035,471	\$508,868	Internally				\$8,310,461
RDP-PAT	\$1,120,831	\$1,166,111	\$1,213,222	\$1,174,909	\$1,168,080	\$1,191,442	\$1,127,702	\$1,150,256	\$1,173,261	\$10,485,814
Rosemont-La Petite-Patrie	\$1,879,555	\$1,879,555	\$1,879,555	\$2,032,498	\$1,963,515	\$1,963,515	\$1,963,515	\$1,963,515	\$1,963,515	\$17,488,738
Saint-Laurent	\$121,694	\$494,900	\$689,409	\$333,091	\$647,730	\$1,057,839	\$1,062,312	\$1,062,312	\$1,062,312	\$6,531,599
Saint-Léonard	\$572,024	\$589,743	\$638,434	\$457,078	\$802,720	\$838,548	\$880,979	\$925,556	\$972,389	\$6,677,471
Le Sud-Ouest	\$886,573	\$924,583	\$966,199	\$239,214	Internally			\$489,201	\$540,629	\$4,046,399
Verdun	\$359,238	\$359,238	\$359,238	\$788,437	\$928,871	\$928,871	\$928,871	\$928,871	\$928,871	\$6,510,506
Ville-Marie	\$1,394,762	\$1,394,762	\$1,394,762	\$1,533,847	\$1,457,042	\$1,500,754	\$1,545,776	\$1,592,150	\$1,639,914	\$13,453,769
Villeray-Saint-Michel-Parc-Extension	\$1,876,629	\$1,932,928	\$1,990,916	\$1,976,862	Internally					\$7,777,335
Total	\$17,418,540	\$18,149,919	\$19,227,974	\$17,817,509	\$15,368,165	\$15,704,173	\$15,419,598	\$16,325,313	\$16,296,749	\$151,727,940

6.10. Map Showing the Concentration of Contracts by Borough from 2005 to 2013 – Collection and Removal of Household Waste

