



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 - Sections 5.11 and 5.12 - September 2014



**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 – Sections 5.11 and 5.12 – September 2014

Legal Deposit – First Quarter 2015
Bibliothèque et Archives nationales du Québec
ISSN: 1925-6787 (print)
ISSN: 1925-6795 (online)
ISBN: 978-2-7647-1317-4 (print)
ISBN: 978-2-7647-1318-1 (online)

Please note that this English report has been translated from the original French version. In case of doubt or difference of interpretation, the French version shall prevail over the English.

According to the *Charter of the French Language* and the *Office québécois de la langue française*, municipalities shall designate all official names, such as boroughs, departments, paramunicipal corporations as well as municipal and associated bodies by their French names alone, even in the English version.

This report is available on our website at:
bvgmtl.ca.

January 22, 2015

Mr. Denis Coderre
Mayor of the Ville de Montréal
275, rue Notre-Dame Est
Montréal, QC H2Y 1C6

Subject: Auditor general of the Ville de Montréal's annual report for the year ended December 31, 2013 – Amended version of Sections 5.11 and 5.12 – September 2014

Dear Mr. Mayor,

In response to the CM14 1129 resolution of the city council, dated November 24, 2014, and as per the spirit of Section 107.13 of the *Cities and Towns Act* (RSQ, chapter C-19), please find enclosed the amended version of Sections 5.11 and 5.12 – September 2014 of the Annual report of the auditor general of the Ville de Montréal for the year ended December 31, 2013 to be tabled at the next regular city council meeting on January 26, 2015 and the next urban agglomeration council meeting on January 29, 2015.

Yours truly,



Jacques Bergeron, CPA, CA, MBA, M. Sc.
Auditor general

Foreword

Further to the request made by city council, at the meeting held on November 24, 2014, I reviewed the data compiled in two sections of my 2013 annual report, which was tabled to city council on June 16, 2014, and to the urban agglomeration council on June 19, 2014, regarding the amounts of the contracts for snow clearing and the collection and removal of residual materials that were awarded by the boroughs from 2005 to 2013.

It should be noted that the primary focus of this audit was to ensure that there was open competition between contractors so as to enable the city to obtain the best prices, and to verify that the awarding of these contracts complied with existing laws, regulations, frameworks and processes in force at the city.

At the start of the audit in July 2013, my Bureau made a formal request in writing to each of the borough directors asking them to send to us all the decision-making summaries that dealt with the awarding of contracts for both snow clearing and the collection and removal of residual materials.

To my great astonishment, it appears that, despite our initial request and the many reminders issued by my Bureau, several boroughs failed to provide all the decision-making summaries needed to draw a comprehensive picture of the situation prior to the tabling the 2013 annual report. In the case of two boroughs, we made more than five attempts to obtain the said documents. These missing decision-making summaries were sent to us in summer 2014, after the annual report had been tabled, and sometimes piecemeal. I find this perplexing since, in making a formal request, my Bureau initially expected to receive all the documents needed to perform our audit.

Thus, my Bureau undertook a review of the figures presented in the 2013 annual report. We met with all the designated officials in each of the city's 19 borough to confirm that all the data had been sent to my Bureau. I then adjusted the figures accordingly. In the vast majority of cases, these adjustments were due to the fact that documents were missing at the time of the production of the 2013 annual report. Some compilation errors were also uncovered during the review process. Nevertheless, I draw your attention to the fact that these adjustments were relatively minor, as can be seen in the table below. In the case of snow clearing, the changes represent an increase of \$38M, bringing the total amount of the contracts to \$528M, a difference of 7.75% compared with the amount presented in the 2013 annual report. It should be noted, once again, that this difference was largely due to the fact that several boroughs failed to provide all the information requested. In the case of the

collection and removal of residual materials, the difference in the amounts of the contracts was 0.04%, or very slight.

**Comparison of the Amended Amounts with the Initial Amounts
Published in the 2013 Annual Report – Summary by Activity
(in thousands of dollars)**

Contracts for snow clearing (2005-2013)		
Sectors	Amended amounts, September 2014	Initial amounts (2013 annual report)
1. Snow clearing	\$326,298	\$315,843
2. Snow clearing equipment rentals (with or without operators)	\$64,280	\$64,150
3. Snow loading	\$103,276	\$86,787
4. Snow disposal operations	\$34,146	\$23,241
Total	\$528,000^[1]	\$490,021
	Difference (\$)	\$37,979
	Difference (%)	7.75%

Contracts for the collection and removal of household waste and recyclable materials (2005-2013)		
Sectors	Amended amounts, September 2014	Initial amounts (2013 annual report)
1. Household waste	\$352,388	\$351,902
2. Recyclable materials	\$151,728	\$152,013
Total	\$504,116^[1]	\$503,915
	Difference (\$)	\$201
	Difference (%)	0.04%

Total for both activities	\$1,032,116	\$993,936
----------------------------------	--------------------	------------------

The following points are important to retain from this review:

- The adjustments made to the compilation of the amounts of the contracts do not invalidate the trends initially identified;
- The three recommendations made to the Direction générale remain unchanged;
- The general conclusions of our 2013 annual report remain unchanged, i.e. there are indicators of possible collusion in snow clearing and indicators of probable collusion in the collection and removal of residual materials;

^[1] The vast majority of differences are attributed to new decision-making summaries submitted to us by some boroughs.

- The sole purpose of calculating the cumulative amount of the contracts was to give an idea of the magnitude of the situation and help determine the concentration of companies operating in some boroughs, as well as to confirm or reject our concerns that bid rigging exists among businesses to share contracts within the two sectors of activity targeted;
- Beyond the numbers themselves, the many indicators of collusion that we uncovered during our audit are especially telling. These indicators of irregularities detected in the awarding of contracts are sufficiently numerous and compelling within certain boroughs to raise serious doubts about any assurance the city may have of obtaining services at the best possible price. Following is a reminder of some of these indicators presented in the two detailed sections:
 - 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 was consistently awarded contracts in a given borough;
 - Several cases of a single tenderer;
 - An excessive price difference (in several cases ranging from 16% to more than 200%) between the first and second tenderer;
- Maps supporting the indicators of collusion changed very little when the figures were amended.

Given the results of this audit, I remain convinced that the situation is troubling and that it should compel the Direction générale and the municipal authorities to inform themselves about the underlying causes of this situation and take the necessary measures to end any collusion schemes that may exist.

Table of Contents

5.11	Snow Clearing Contracts Awarded from 2005 to 2013	481
5.12	Contracts for the Collection and Removal of Residual Materials – Household Waste and Recyclable Materials – from 2005 to 2013.....	545



**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

**Snow Clearing
Contracts Awarded from
2005 to 2013**

5.11



Table of Contents

1. Introduction	487
2. Purpose and Scope of the Audit	488
3. Summary of Findings	489
3.1. Ville de Montréal.....	489
3.2. Boroughs	493
4. Detailed Findings and Recommendations	495
4.1. Ville de Montréal.....	498
4.2. Boroughs	525
5. General Conclusion	529
6. Appendices	531
6.1. Snow Clearing Contracts in Force from 2005 to 2013, by Company.....	531
6.2. Snow Clearing Equipment Rental Contracts (With or Without Operators) in Force from 2005 to 2013, by Company	532
6.3. Snow Loading Contracts in Force from 2005 to 2013, by Company	534
6.4. Snow Disposal Contracts in Force from 2005 to 2013, by Company	535
6.5. Distribution of the 37 Companies that were Awarded Contracts by at Least One Borough on a Regular Basis (yearly) from 2005 to 2013.....	536
6.6. Contracts Covering All Snow Clearing Operations in Force from 2005 to 2013, by Borough	537
6.7. Snow Clearing Contracts in Force from 2005 to 2013, by Borough	538
6.8. Snow Clearing Equipment Rental Contracts (With or Without Operators) in Force from 2005 to 2013, by Borough	539
6.9. Snow Loading Contracts in Force from 2005 to 2013, by Borough.....	540
6.10. Snow Disposal Contracts in Force from 2005 to 2013, by Borough.....	541
6.11. Map Showing the Concentration of Contracts by Borough from 2005 to 2013 – Snow Clearing Operations.....	542

6.12. Map Showing the Concentration of Contracts by Borough from 2005 to
2013 – Snow Clearing Equipment Rentals (With or Without Operators),
Snow Loading and Snow Disposal Operations 543

List of Acronyms

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

5.11. Snow Clearing Contracts Awarded from 2005 to 2013

1. Introduction

For Québec municipalities, winter snowfalls represent a significant challenge. Snow clearing operations must be conducted promptly to keep streets safe for both motorists and pedestrians as well as to enable access to emergency services, the public transit system, hospitals and schools. On the territory of Ville de Montréal (the city), snow must be cleared from close to 10,000 km of roadways and sidewalks and operations unfold in four main steps, namely:

- spreading of melters (e.g., road salt) and abrasives (e.g., sand and crushed stone) on streets and sidewalks;
- clearing of the snow by plowing it to the sides of the streets and sidewalks;
- loading (or removal) of the snow by picking up the snow plowed to the sides of the streets and sidewalks. Snow is generally picked up on the Montréal road network, but it may also be blown onto lots or plowed to the sides of streets;
- loading and disposal of the snow at one of 28 elimination sites¹ located on the city's territory.

Under the *Municipal Powers Act*,² the city “has jurisdiction over public roads that are not under the authority of the Government of Québec or the Government of Canada.”

In accordance with the *Charter of Ville de Montréal*³ (the Charter), the city council adopted a regulation⁴ in 2001 to determine the roads over which the city had jurisdiction, i.e., those making up the arterial and local road systems.

With respect to the local road system, Section 142 of the Charter stipulates that the borough council exercises, in respect of the streets and roads under its responsibility, the jurisdictions of the city as regards roads (including maintenance), traffic signs and signals, the control of traffic and parking.

¹ Disposal consists of taking the snow to one of the sites where it will be dumped into the sewer system and left to melt before the resulting water is naturally directed to the wastewater treatment plant (16 sewer chutes), or packed until it melts in the spring (11 surface snow dumps plus an abandoned quarry [Saint-Michel]).

² RSQ, chapter C-47.1, Section 66.

³ RSQ, chapter C-11.4, Section 105.

⁴ *Règlement identifiant les réseaux de voirie artérielle et locale (02-003)*, city council, adopted on December 20, 2001.

Furthermore, a regulation⁵ adopted by the city council delegated maintenance activities on the arterial road system to each borough council. Such activities included clearing snow from streets, sidewalks and public places as well operational activities on snow elimination sites (e.g., elimination operations per se, preparatory work on elimination sites before winter or between loads, cleanup work on elimination sites as well as site surveillance).

For this reason, when exercising their powers, city boroughs are responsible for planning and organizing snow removal operations on their respective territories' arterial and local road systems. As appropriate, these activities may be carried out internally, under contract by private contractors or according to a combination of both operating modes⁶.

Thus, given the revelations regarding the awarding of infrastructure construction contracts, and with the goal of providing authorities with information on the rules and practices that characterize the snow clearing industry, we decided to undertake this audit in order to paint a complete picture of the situation (e.g., the number and value of contracts awarded, information on the contracting companies).

2. Purpose and Scope of the Audit

The purpose of the audit was to identify the number and amounts of the contracts covering all snow clearing operations 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. More specifically, our audit essentially focussed on searching for contracts pertaining to the four snow clearing activity sectors: snow clearing, rental of equipment required to carry out these operations, transportation of the snow to the elimination sites and snow disposal operations. However, it must be pointed out that this audit does not cover contracts pertaining to towing operations or the purchase of melters and abrasives. Also, unless the data was explicitly provided to us by certain boroughs, we did not verify private contracts or costs pertaining to the issuance of tooling vouchers.⁷ 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

⁵ *Règlement du conseil de la Ville sur la délégation de certains pouvoirs relatifs au réseau de voirie artérielle aux conseils d'arrondissement (08-055)*, city council, adopted on December 15, 2008, Section 2.

⁶ Note that boroughs combine these two methods of operation, with the exception of Outremont borough, which contracts out all its work.

⁷ Definition: System implemented and managed by the Direction du matériel roulant et des ateliers municipaux, reporting at the time to the Service de concertation des arrondissements et des ressources matérielles, through which the boroughs may lease machinery with or without operators to meet their ad hoc needs. Private contracts are then awarded to these contractors.

ensure that the awarding of these contracts complied with existing laws, regulations, frameworks and processes in force at the city.

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 snow clearing operations that were awarded by all the city's boroughs from 2005 to 2013. It should be noted that this review became necessary primarily as a result of the provision by the boroughs, up to September 2014, 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

With respect to the contracts awarded by the city's 19 boroughs for snow clearing operations, we note the following facts:

- A total of 167 companies were awarded contracts by the boroughs. Said contracts were in force during the period covered by this audit (2005–2013) and covered the four snow clearing activity sectors, i.e., snow clearing, snow clearing equipment rentals (with or without operators), snow loading and snow disposal operations. Note that some of these companies may be identified in more than one activity sector at once.⁸ For each of the four activity sectors covered by the scope of our audit, we note the following facts:
 - Snow clearing:
 - A total of 54 companies were awarded contracts totalling \$326.3 million, i.e., 62% (\$326.3 million/\$528.0 million) of the total amount of the contracts in force during the period audited within all of the boroughs. Of these companies, 27 were

⁸ More specifically, three companies are active in three of the four snow clearing activity sectors, whereas 18 companies are engaged in two of the four sectors. Detailed information on these companies is presented in Table 16 of this audit report.

awarded contracts on a regular basis over the course of the nine⁹ years of the audit period, whereas they obtained 85.7% (\$279.7 million/\$326.3 million) of the total amount of the snow clearing contracts awarded by the boroughs. Nine of these 27 companies individually obtained, over the course of our reference period, contracts representing a cumulative amount of more than \$10 million, for an overall amount of \$175.7 million (out of \$326.3 million), i.e., 53.8% of snow clearing contracts awarded. Two of these nine main companies obtained 100% of the contracts that were awarded to them by a single city borough. Furthermore, of these nine companies, seven share the borough markets with competitors (refer to Tables 1, 2, 3 and 4 as well as Appendix 6.1);

- Three companies that are active in the sector of activity obtained 100% of the contracts awarded by a single borough during the nine years of the audit period, i.e.:
 - Les Entreprises Michaudville inc. in the Le Plateau-Mont-Royal borough,
 - Environnement Routier NRJ inc. in the Outremont borough,
 - Les Pavages D'Amour inc. in the Pierrefonds-Roxboro borough;
- One company was awarded between 80% and 99% of contracts by a single borough (2005–2013), i.e.:
 - Déneigement Moderne inc. in the Mercier–Hochelaga-Maisonneuve (MHM) borough (2006–2013);
- Four companies were awarded between 50% and 79% of contracts by a single borough in the last eight or nine years of the period audited, i.e.:
 - Les Entreprises PM Pavages inc. in the Anjou borough (2006–2013),
 - Les Entreprises Canbec Construction inc. in the Saint-Laurent borough (2005–2013),
 - Transport Rosemont inc. in the Rosemont–La Petite-Patrie borough (2005–2013),
 - C.M.S. Entrepreneurs Généraux inc. in the Côte-des-Neiges–Notre-Dame-de-Grâce borough (2005–2013).
- Snow clearing equipment rentals (with or without operators):
 - A total of 92 companies were awarded contracts for snow clearing equipment rentals (with or without operators) representing a total amount of \$64.3 million, i.e., 12% (\$64.3 million/\$528.0 million) of the total amount of the contracts in force during the period audited within all of the boroughs. Of this group, 12 companies stood out, as they were awarded—during the audit period—contracts totalling \$41.9 million, i.e., 65% (\$41.9 million/\$64.3 million) of the total amount of the

⁹ Out of the 27 companies, 18 were awarded contracts during the nine years of the period audited, whereas the 9 others were awarded contracts during eight of the nine years.

- contracts awarded for this sector of activity. These companies are present in 17 boroughs where they share the market with competitors, with the exception of four of these 12 companies that are each present in a single borough (refer to Tables 1, 7, 8 as well as Appendix 6.2);
- No company in this sector of activity was awarded either 100% or 80% to 99% of the contracts in force during the nine years of the period audited, by a single borough;
 - One company in this sector of activity was awarded 50% to 79% of the contracts in force during the nine years of the period audited, by one borough, i.e.:
 - Les Entrepreneurs Chomedey inc. in the Rivière-des-Prairies–Pointe-aux-Trembles (RDP–PAT) borough (2005–2013);
- Snow loading:
- A total of 27 companies and four groups consisting of various transport firms were awarded contracts to load snow and transport it to the snow elimination sites. We reviewed contracts totalling \$103.3 million, i.e., 20% (\$103.3 million/\$528.0 million) of the total amount of the contracts awarded by the boroughs for all snow clearing operations. Of this group, seven companies individually obtained contracts in force from 2005 to 2013 representing a cumulative amount of more than \$3 million for a total of \$61.3 million, i.e., 59% (\$61.3 million/\$103.3 million) of the total spent by the boroughs to have snow loaded. One company in this group (Transvrac Montréal - Laval inc.) is present in 10 boroughs and dominates this activity sector with contracts totalling \$33.8 million during the period audited. However, it must be noted that this company is eligible for the exception set out in Section 573.3 of the *Cities and Towns Act*¹⁰ (CTA), which authorizes boroughs to award private contracts (refer to Tables 1, 10 and 11 as well as Appendix 6.3);
 - On the territory of the LaSalle borough, Transvrac Montréal - Laval inc.¹¹ was awarded 100% of the contracts in force from 2005 to 2013;
 - One company obtained between 80% and 99% of the contracts awarded by a single borough for this activity sector between 2005 and 2013, i.e.:
 - Transporteur en vrac St-Hyacinthe inc. in the Villeray–Saint-Michel–Parc-Extension borough;

¹⁰ RSQ, chapter C-19.

¹¹ This is a transport brokering company to which boroughs may award private contracts by virtue of an exception to the rules for the awarding of contracts set out in the CTA.

- Two companies were awarded between 50% and 79% of the contracts awarded by a single borough between 2005 and 2013, i.e.:
 - Gestion Yvan Pion inc. in the Ahuntsic-Cartierville borough,
 - DF Transport en vrac SNC in the Ville-Marie borough.
- Snow disposal operations:
 - Fourteen companies were awarded snow disposal contracts totalling \$34.1 million, i.e., 6% (\$34.1 million/\$528.0 million) of the total amount of the contracts awarded by the boroughs for all snow clearing operations. Five companies stand out in this group: they obtained 92% (\$31.3 million/\$34.1 million) of the total amount of the contracts awarded to the 14 companies that share this sector of activity. More specifically, one of these five companies (Gaston Contant inc.)—which dominates this sector of activity with contracts totalling \$16.2 million during the audit period—is present in four boroughs (refer to Tables 1, 13, 14 and 15 as well as Appendix 6.4);
 - One of the companies engaged in this sector of activity obtained alone 100% of the contracts awarded by a single borough between 2005 and 2013, i.e.:
 - Gaston Contant inc. in the Anjou borough;
 - Two companies obtained between 80% and 99% of the snow disposal contracts awarded by a single borough in the eight or nine last years of the period audited, i.e.:
 - Gaston Contant inc. in the Saint-Léonard borough (2006–2013),
 - Construction DJL inc. in Le Sud-Ouest borough (2005–2013);
 - In this sector of activity, no company obtained between 50% and 79% of the contracts awarded by a single borough during the last eight or nine years of the audit period.
- A total of 37 companies among the 167 identified during our audit were awarded contracts by at least one borough on a regular basis from 2005 to 2013, i.e. yearly (refer to Appendix 6.5). More specifically, we note the following:
 - With respect to snow clearing contracts:
 - In 11¹² boroughs, the same 15 companies were awarded contracts;
 - Three of these 15 companies were awarded 100% of the contracts for this period, by three boroughs: Outremont, Pierrefonds-Roxboro and Le Plateau-Mont-Royal.
 - With respect to snow clearing equipment rental contracts (with or without operators):
 - In five¹³ boroughs, the same 18 contracts were awarded contracts;

¹² The 11 boroughs are: Ahuntsic-Cartierville, Anjou, CDN-NDG, Lachine, Outremont, Pierrefonds-Roxboro, Le Plateau-Mont-Royal, RDP-PAT, Rosemont-La Petite-Patrie, Saint-Laurent and Saint-Léonard.

¹³ The five boroughs are: Anjou, LaSalle, RDP-PAT, Saint-Laurent and Verdun.

- The Saint-Laurent borough awarded contracts to 11 companies out of these 18, whereas the LaSalle borough awarded contracts to three of these 18 companies;
- The Anjou and Verdun boroughs respectively awarded contracts to the same two companies. However, it should be noted that the companies varied from one borough to the other.
- With respect to snow loading contracts:
 - In four¹⁴ boroughs, the same four companies were awarded contracts. However, it should be noted this group of four companies includes a transportation broker (Transvrac Montréal - Laval inc.) to which the boroughs may award private contracts by virtue of an exception to the rules for awarding contracts set out in the CTA. Apart from Transvrac Montréal - Laval inc., which was awarded 100% of the contracts, another company obtained 87% of the contracts during the same reference period.
- Finally, with respect to snow disposal contracts:
 - In two¹⁵ boroughs, the same two companies were awarded contracts;
 - One of the two companies obtained 100% of the contracts awarded by Anjou borough, while the other obtained 99% of the contracts awarded by Le Sud-Ouest borough.

3.2. Boroughs

For the audit period, we reviewed all of the decision-making summaries to conduct our analysis and compile the contracts pertaining to snow clearing operations¹⁶ and made the following findings¹⁷:

- 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:
 - between 16% and 204% for snow clearing tenders;
 - between 16% and 74% for snow loading tenders;
 - between 16% and 98% for snow disposal tenders.
- In the case of 8¹⁸ 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

¹⁴ The four boroughs are: Ahuntsic-Cartierville, LaSalle, Ville-Marie and Villeray–Saint-Michel–Parc-Extension.

¹⁵ The two boroughs are: Anjou and Le Sud-Ouest.

¹⁶ More specifically, these are contracts pertaining to the four sectors of activity, i.e., snow clearing, rental of snow clearing equipment (with or without operators), snow loading and snow disposal operations.

¹⁷ 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.

¹⁸ The eight boroughs are: Ahuntsic-Cartierville, Anjou, Côte-des-Neiges–Notre-Dame-de-Grâce (CDN-NDG), Lachine, LaSalle, Le Plateau-Mont-Royal, Saint-Laurent and Ville-Marie.

only tenderer to submit a compliant bid although several other companies had obtained the call for tenders documents.

- In the case of 8¹⁹ 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 17²⁰ 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 2²¹ 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 3²² 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 14²³ 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 the case of 4²⁴ of the 19 boroughs, we noted that related companies submitted simultaneous bids.
- In the case of one²⁵ borough, 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;
 - the unit cost per linear metre, cubic metre or metric tonne;
 - inclusion or exclusion of the consumer price index (CPI) and transportation price index (TPI).

¹⁹ The eight boroughs are: Anjou, CDN–NDG, MHM, Le Plateau-Mont-Royal, Rosemont–La Petite-Patrie, Saint-Léonard, Ville-Marie and Villeray–Saint-Michel–Parc-Extension.

²⁰ The 17 boroughs are: Ahuntsic-Cartierville, Anjou, CDN–NDG, L’Île-Bizard–Sainte-Geneviève, Lachine, MHM, Montréal-Nord, Outremont, Pierrefonds-Roxboro, Le Plateau-Mont-Royal, RDP–PAT, Rosemont–La Petite-Patrie, Saint-Laurent, Saint-Léonard, Le Sud-Ouest, Ville-Marie and Villeray–Saint-Michel–Parc-Extension.

²¹ The two boroughs are: Saint-Léonard and Ville-Marie.

²² The three boroughs are: Ahuntsic-Cartierville, Anjou and Le Sud-Ouest.

²³ The 14 boroughs are: Ahuntsic-Cartierville, CDN–NDG, L’Île-Bizard–Sainte-Geneviève, Lachine, MHM, Outremont, Pierrefonds-Roxboro, Le Plateau-Mont-Royal, RDP–PAT, Rosemont–La Petite-Patrie, Saint-Léonard, Le Sud-Ouest, Ville-Marie and Villeray–Saint-Michel–Parc-Extension.

²⁴ The four boroughs are: Ahuntsic-Cartierville, MHM, Saint-Léonard and Le Sud-Ouest.

²⁵ The Lachine borough.

- A certain number of these contracts were transferred to other companies, a practice that risks encouraging tacit collusion between the contractors.

4. Detailed Findings and Recommendations

During the audited period from 2005 to 2013 inclusively, 545 contracts were awarded to 167 specialized companies and in force in the city's 19 boroughs for all snow clearing operations²⁶ on their respective territory. The awarding of these contracts followed the issuing of 335 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'approvisionnement²⁷ was mandated for a period of two years²⁸ 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 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*

²⁶ We point out that, for the purposes of our audit, these activities pertaining to snow clearing operations are limited to clearing the snow from streets and sidewalks, loading and transporting the snow, renting snow clearing equipment (with or without operators) in support of internal operations and operating snow dumps and sewer chutes. Our audit did not cover contracts pertaining to towing operations during snow clearing as well as those pertaining to the purchase of melters (road salt) and abrasives.

²⁷ At the time of our audit, the Direction de l'approvisionnement reported to the Service de concertation des arrondissements et des ressources matérielles.

²⁸ On December 16, 2013, city council approved a five-year extension of this operating procedure beginning on January 1, 2014.

bodies”,²⁹ 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*,³⁰ 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*,³¹ in particular the Criminal Code and the *Income Tax Act*.³² Businesses that are 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*³³ 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.

²⁹ LQ, 2010, chapter 1.

³⁰ RSQ, chapter T-11.011.

³¹ RSQ, chapter C-65.1.

³² RSC (1985), chapter 1 (5th suppl.).

³³ LQ, 2012, chapter 25.

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 all snow clearing operations 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 snow clearing operations, 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.

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 contracts³⁴ 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;
- 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;
- This audit report does not account for the costs associated with the snow clearing operations carried out internally by the blue collar workers. Consequently, we did not compare the costs of snow clearing operations carried out internally to those carried out by private companies under contract.

³⁴ This refers to contracts for snow clearing, snow clearing equipment rentals (with or without operators), snow loading and snow disposal operations.

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 snow clearing operations 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

4.1.1. Sharing of the Snow Clearing “Market”

4.1.1.A. Background and Findings

The contracts pertaining to all of the snow clearing operations within the city's 19 boroughs from 2005 to 2013 inclusively represent costs totalling a little over \$528 million shared by 167 private companies that were awarded a total of 545 contracts. We generally noted that the duration of the contracts awarded usually varied between two and five years.

The market share according to the type of services offered by these companies—for the period comprised between 2005 and 2013 within the city's 19 boroughs—as well as the number and amount of the contracts awarded are presented in Table 1.

Table 1 – Share of the “Market” per Company Between 2005 and 2013
(amounts indicated in thousands of dollars)

Sector of activity	Number of companies	Number of contracts	Amount	Percentage
Snow clearing ^[a]	54	147	\$326,298	62%
Snow clearing equipment rentals (with or without operators) ^[b]	92	282	\$64,280	12%
Snow loading ^[c]	31	90	\$103,276	20%
Snow disposal operations ^[d]	14	26	\$34,146	6%
Adjustment for companies engaged in more than one sector of activity ^[e]	(24)			
Total	167	545	\$528,000	100%

^[a] Depending on whether or not the boroughs carry out these operations internally, the contracts awarded for the services grouped under “Snow Clearing” may provide for the following operations: spreading of melters or abrasives, plowing of snow to the sides of streets and sidewalks, loading and transportation of snow to snow elimination sites.

^[b] Certain boroughs may need to rent equipment (with or without operators) as part of their snow clearing operations. The rented equipment includes snow blowers, graders (equipped or not with a side plow), articulated graders, articulated loaders with buckets and backhoes.

^[c] These contracts are awarded by the boroughs that carry out their snow clearing operations internally but do not dispose of the necessary equipment or operators to load the snow and transport it to the elimination sites.

^[d] Operations carried out under contract generally consist of piling the snow transported by truck.

^[e] Certain companies were awarded contracts in more than one sector of activity. Consequently, we subtract first the 18 companies engaged in two sectors and second the three companies engaged in three sectors.

4.1.1.1. Companies Engaged in the Snow Clearing Sector

For each of the 54 companies to which the 19 boroughs awarded snow clearing contracts, Table 2 illustrates the amount of the contracts awarded over the audit period, each company's share of the market in terms of the total amount of the snow clearing contracts awarded by the borough as well as the number of boroughs in which each company is present.

**Table 2 – Distribution of the Amounts of Snow Clearing Contracts
Awarded by the 19 Boroughs from 2005 to 2013**
(amounts indicated in thousands of dollars)

Rank	Company	Amount	% of the sector	Number of boroughs in which the company is present
1	C.M.S. Entrepreneurs Généraux inc.	\$31,365	9.61%	3
2	Transport Rosemont inc.	\$27,957	8.57%	3
3	Environnement Routier NRJ inc.	\$20,376	6.24%	2
4	Déneigement Moderne inc. ^[a]	\$19,958	6.12%	1
5	A & O Gendron inc.	\$19,660	6.03%	3
6	Les Entreprises Michaudville inc.	\$17,829	5.46%	1
7	Les Excavations Payette Itée	\$14,501	4.44%	2
8	Les Entreprises Canbec Construction inc.	\$13,058	4.00%	2
9	Lagacé Transport inc.	\$10,973	3.36%	2
10	Jean-Paul Trahan (1980) Itée	\$9,563	2.93%	2
11	Les Entrepreneurs Bucaro inc.	\$8,667	2.66%	2
12	NMP Golf Construction inc.	\$8,235	2.52%	1
13	J.L. Michon Transports inc.	\$8,184	2.51%	2
14	Pépinère Michel Tanguay inc.	\$7,110	2.18%	3
15	Concorbec inc.	\$6,988	2.14%	1
16	Ramcor Construction inc.	\$6,755	2.07%	1
17	J.M. Gagné inc.	\$6,696	2.05%	2
18	Transport Gilbert Hamelin inc.	\$6,364	1.95%	1
19	Déneigement Nordic (2000) inc.	\$6,058	1.86%	1
20	Construction Bricon Itée	\$5,969	1.83%	1
21	Consortium Transport Rosemont - Gravières de Beauce	\$5,903	1.81%	1
22	9166-6222 Québec inc.	\$5,737	1.76%	1
23	Roxboro Excavation inc.	\$5,602	1.72%	1
24	Les Entreprises T.G.R. inc. ^[b]	\$4,990	1.53%	2
25	P.E.D. Rainville Équipement inc.	\$4,871	1.49%	2
26	Catalogna et Frères Itée	\$4,607	1.41%	1
27	Déneigement Fontaine Gadbois inc.	\$4,094	1.25%	2
28	Les Entrepreneurs Chomedey inc.	\$3,985	1.22%	2
29	Entreprises Ste-Croix inc.	\$3,664	1.12%	1
30	Les Entreprises PM Pavages inc.	\$3,624	1.11%	1
31	Les Transports Marco D'Intino inc. ^[c]	\$3,220	0.99%	1
32	S.E.R. 9197-4220 Québec inc.	\$3,008	0.92%	1
33	Les Pavages D'Amour inc.	\$2,506	0.77%	1
34	Pépinère et Paysagiste Marina inc.	\$2,272	0.70%	1
35	Transport H. Cordeau inc. ^[a]	\$2,037	0.62%	3
36	Marobi inc.	\$1,926	0.59%	1
37	Entreprises Réjean Desgranges inc.	\$1,844	0.57%	1
38	Signalisation Como inc.	\$1,480	0.45%	1
39	Équipements Kanda Itée ^[d]	\$899	0.28%	1
40	Transport DM Choquette inc. ^[b]	\$706	0.22%	1
41	Les entreprises G-L	\$595	0.18%	1
42	Simard-Beaudry inc.	\$411	0.13%	1
43	Ventes d'équipements et encanteurs Kanda Itée ^[d]	\$396	0.12%	1
44	9078-5940 Québec inc.	\$385	0.12%	1
45	Groupe TMD inc. (9150-2732 Québec inc.) ^[c]	\$326	0.10%	1
46	Paysagiste Saro inc.	\$219	0.07%	1
47	Entreprises Vannicola 97 inc.	\$173	0.05%	1
48	R. Racicot Itée	\$167	0.05%	1
49	Paysagiste ML (1999) inc.	\$148	0.05%	1
50	Carlo Caccavelli Paysagement	\$63	0.02%	1
51	J.R.G. Déneigement et Excavation enr.	\$52	0.02%	1
52	Les Contracteurs P.G. inc.	\$49	0.02%	1
53	Les Excavations K. McElligott inc.	\$38	0.01%	1
54	Paradis Vert	\$35	0.00%	1
	Total	\$326,298	100.00%	

[a], [b], [c], [d] Affiliated companies.

In addition to the information provided in Table 2, it must be noted that Appendix 6.1 of this audit report provides a detailed picture of all contracts in force with each of the 54 companies on an annual basis during the audit period comprised from 2005 to 2013 inclusively. Based on our review of the information presented, we note that 27 companies obtained contracts on a regular basis³⁵ during the audit period, as illustrated in Table 3.

Table 3 – List of the 27 Companies that Obtained Snow Clearing Contracts on a Regular Basis from 2005 to 2013
(amounts indicated in thousands of dollars)

Rank	Company	Amount	Number of boroughs in which the company is present
1	C.M.S. Entrepreneurs Généraux inc.	\$31,365	3
2	Transport Rosemont inc.	\$27,957	3
3	Environnement Routier NRJ inc.	\$20,376	2
4	Déneigement Moderne inc.	\$19,958	1
5	A & O Gendron inc.	\$19,660	3
6	Les Entreprises Michaudville inc.	\$17,829	1
7	Les Excavations Payette ltée	\$14,501	2
8	Les Entreprises Canbec Construction inc.	\$13,058	2
9	Lagacé Transport inc.	\$10,973	2
10	Jean-Paul Trahan (1980) ltée	\$9,563	2
11	Les Entrepreneurs Bucaro inc.	\$8,667	2
12	NMP Golf Construction inc.	\$8,235	1
13	J.L. Michon Transports inc.	\$8,184	2
14	Pépinère Michel Tanguay inc.	\$7,110	3
15	Concorbec inc.	\$6,988	1
16	Ramcor Construction inc.	\$6,755	1
17	Transport Gilbert Hamelin inc.	\$6,364	1
18	Déneigement Nordic (2000) inc.	\$6,058	1
19	9166-6222 Québec inc.	\$5,737	1
20	Roxboro Excavation inc.	\$5,602	1
21	Les Entreprises T.G.R. inc.	\$4,990	2
22	P.E.D. Rainville Équipement inc.	\$4,871	2
23	Catalogna et Frères ltée	\$4,607	1
24	Les Entrepreneurs Chomedey inc.	\$3,985	2
25	Les Entreprises PM Pavages inc.	\$3,624	1
26	Les Pavages D'Amour inc.	\$2,506	1
27	Paysagiste Saro inc.	\$219	1
	Total	\$279,742	

These companies were allocated 85.7% (\$279.7 million/\$326.3 million) of the boroughs' snow clearing budgets. Within this group, nine companies dominate the market and each obtained, over the course of the audit period, contracts of a total amount of more than

³⁵ More specifically, 18 of the 27 companies were awarded contracts during the nine years of the audit period, whereas the other 9 obtained contracts eight years out of nine.

\$10 million for an overall total of \$175.7 million (out of \$326.3 million), namely 53.8% of the contracts awarded in this sector of activity. These companies are also present on an ongoing basis in 11 boroughs out of 17, seeing as the LaSalle and Verdun boroughs have their snow clearing operations carried out by blue collar workers. Table 4 presents the nine main companies active in this sector in terms of their presence within the boroughs as well as the amount of the contracts they were awarded.

**Table 4 – Presence in the Boroughs
of the Nine Main Companies that Obtained
Snow Clearing Contracts from 2005 to 2013
(amounts indicated in thousands of dollars)**

C.M.S. Entrepreneurs Généraux inc.		
Borough	Amount	Percentage
CDN–NDG ^[a]	\$21,345	68%
Le Sud-Ouest	\$7,920	25%
Rosemont–La Petite-Patrie	\$2,100	7%
Total	\$31,365	100%

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

Transport Rosemont inc.		
Borough	Amount	Percentage
Ahuntsic-Cartierville	\$17,038	61%
Rosemont–La Petite-Patrie	\$10,535	38%
Ville-Marie	\$384	1%
Total	\$27,957	100%

Environnement Routier NRJ inc.		
Borough	Amount	Percentage
Outremont ^[b]	\$17,185	84%
CDN–NDG	\$3,191	16%
Total	\$20,376	100%

^[b] This company is the only one that is engaged in this sector of activity on this borough's territory.

Déneigement Moderne inc.		
Borough	Amount	Percentage
MHM ^[c]	\$19,958	100%
Total	\$19,958	100%

^[c] Two other companies are also present in this sector of activity on this borough's territory.

A & O Gendron inc.		
Borough	Amount	Percentage
Villeray–Saint-Michel–Parc-Extension	\$11,095	56%
Ahuntsic-Cartierville	\$7,414	38%
Rosemont–La Petite-Patrie	\$1,151	6%
Total	\$19,660	100%

5.11. Snow Clearing Contracts Awarded from 2005 to 2013

Les Entreprises Michaudville inc.		
Borough	Amount	Percentage
Le Plateau-Mont-Royal ^(d)	\$17,829	100%
Total	\$17,829	100%

^(d) This company is the only one that is engaged in this sector of activity on this borough's territory.

Les Excavations Payette Itée		
Borough	Amount	Percentage
Saint-Léonard	\$10,335	71%
Villeray-Saint-Michel-Parc-Extension	\$4,166	29%
Total	\$14,501	100%

Les Entreprises Canbec Construction inc.		
Borough	Amount	Percentage
Saint-Laurent	\$6,867	53%
Le Sud-Ouest	\$6,191	47%
Total	\$13,058	100%

Lagacé Transport inc.		
Borough	Amount	Percentage
Ville-Marie	\$9,424	86%
Villeray-Saint-Michel-Parc-Extension	\$1,549	14%
Total	\$10,973	100%

Total for these nine companies		
\$175,677		

Within this group, we note that two companies obtained 100% of the contracts that were awarded by a single one of the city's boroughs, i.e.:

- Déneigement Moderne inc. in the MHM borough;
- Les Entreprises Michaudville inc. in Le Plateau-Mont-Royal borough.

With respect to the seven other companies, although they are present in more than one borough (two or three as the case may be), we note overall that they are more present in one borough in particular. Indeed, the percentage of contracts awarded in this dominant borough during the audit period varied between 53% and 86%.

As for the 27 companies remaining among the 54 that are engaged in the snow clearing sector, we note that they were not engaged on a continuous basis during the audit period and received smaller shares of the market. Indeed, these 27 companies obtained 14.3% (\$46.6 million/\$326.3 million) of the total amount of snow clearing contracts awarded during the period covered by our audit from the boroughs. Table 5 indicates the amount of the contracts awarded to these companies that were in force during the audit period.

**Table 5 – List of the 27 Companies that Obtained Snow Clearing Contracts on an Irregular Basis from 2005 to 2013
(amounts indicated in thousands of dollars)**

Rank	Company	Amount	Number of boroughs in which the company is present
1	J.M. Gagné inc.	\$6,696	2
2	Construction Bricon ltée	\$5,969	1
3	Consortium Transport Rosemont - Gravières de Beauce	\$5,903	1
4	Déneigement Fontaine Gadbois inc.	\$4,094	2
5	Entreprises Ste-Croix inc.	\$3,664	1
6	Les Transports Marco D'Intino inc.	\$3,220	1
7	S.E.R. 9197-4220 Québec inc.	\$3,008	1
8	Pépinière et Paysagiste Marina inc.	\$2,272	1
9	Transport H. Cordeau inc.	\$2,037	3
10	Marobi inc.	\$1,926	1
11	Entreprises Réjean Desgranges inc.	\$1,844	1
12	Signalisation Como inc.	\$1,480	1
13	Équipements Kanda ltée	\$899	1
14	Transport DM Choquette inc.	\$706	1
15	Les entreprises G-L	\$595	1
16	Simard-Beaudry inc.	\$411	1
17	Ventes d'équipements et encanteurs Kanda ltée	\$396	1
18	9078-5940 Québec inc.	\$385	1
19	Groupe TMD inc. (9150-2732 Québec inc.)	\$326	1
20	Entreprises Vannicola 97 inc.	\$173	1
21	R. Racicot ltée	\$167	1
22	Paysagiste ML (1999) inc.	\$148	1
23	Carlo Caccavelli Paysagement	\$63	1
24	J.R.G. Déneigement et Excavation enr.	\$52	1
25	Les Contracteurs P.G. inc.	\$49	1
26	Les Excavations K. McElligott inc.	\$38	1
27	Paradis Vert	\$35	1
	Total	\$46,556	

The information collected on these 27 companies also leads us to conclude that, with the exception of three companies—namely J.M. Gagné inc. and Déneigement Fontaine Gadbois inc., which are present in two boroughs, and Transport H. Cordeau inc., which is present in three boroughs,³⁶ the 24 other companies are each present in only one borough. In the majority of cases, they share the borough market with one or several other companies, as shown in Table 6.

³⁶ J.M. Gagné inc. and Déneigement Fontaine Gadbois inc.: RDP-PAT and Saint-Léonard boroughs.
Transport H. Cordeau inc.: MHM, Saint-Léonard and Ville-Marie boroughs.

Table 6 – Distribution of the 24 Companies that Obtained Snow Clearing Contracts on an Irregular Basis from 2005 to 2013 from a Single Borough (amounts indicated in thousands of dollars)

	Borough/ Company	Amount
Ahuntsic-Cartierville		
1	Entreprises Ste-Croix inc.	\$3,664
CDN-NDG		
2	Marobi inc.	\$1,926
3	Signalisation Como inc.	\$1,480
4	Transport DM Choquette inc.	\$706
L'Île-Bizard-Sainte-Geneviève		
5	Paysagiste ML (1999) inc.	\$148
6	Paradis Vert	\$35
Lachine		
7	Pépinière et Paysagiste Marina inc.	\$2,272
8	Entreprises Vannicola 97 inc.	\$173
9	Carlo Caccavelli Paysagement	\$63
10	J.R.G. Déneigement et Excavation enr.	\$52
11	Les Contracteurs P.G. inc.	\$49
12	Les Excavations K. McElligott inc.	\$38
Montréal-Nord		
13	Consortium Transport Rosemont - Gravières de Beauce	\$5,903
RDP-PAT		
14	Construction Bricon Itée	\$5,969
Saint-Léonard		
15	Les Transports Marco D'Intino inc.	\$3,220
16	Équipements Kanda Itée	\$899
17	Groupe TMD inc. (9150-2732 Québec inc.)	\$326
18	R. Racicot Itée	\$167
Le Sud-Ouest		
19	S.E.R. 9197-4220 Québec inc.	\$3,008
Ville-Marie		
20	Entreprises Réjean Desgranges inc.	\$1,844
21	Les entreprises G-L	\$595
22	Simard-Beaudry inc.	\$411
23	Ventes d'équipements et encanteurs Kanda Itée	\$396
24	9078-5940 Québec inc.	\$385

4.1.1.2. Companies Engaged in the Snow Clearing Equipment Rentals (With or Without Operators) Sector

4.1.1.2.A. Background and Findings

A total of 92 companies operate in the sector of snow clearing equipment rentals (with or without operators) and service the boroughs' snow clearing equipment needs. As we pointed

out previously in this report, the snow clearing equipment that can be rented with or without operators includes snow blowers, graders (equipped or not with a side plow), articulated graders, articulated loaders with buckets and backhoes. This equipment may be rented through private contracts, upon invitation or following a public invitation to tender.

The amount of the snow clearing equipment rental contracts (with or without operators) awarded by the boroughs during the audit period (2005–2013) totals \$64.3 million, i.e., 12% (\$64.3 million/\$528.0 million) of the boroughs' snow clearing expenses under contract with private companies. Appendix 6.2 of this audit report indicates the amount of the contracts in force for each of the 92 companies that lease snow clearing equipment (with or without operators) for each year.

In this group, 12 companies obtained contracts separately, totalling more than \$1.4 million during the audit period, whereas these companies account for \$41.9 million, i.e., 65% (\$41.9 million/\$64.3 million) of the total spent on snow clearing equipment rentals (with or without operators). For each of these 12 companies, Table 7 indicates the amount of the contracts awarded, in force during the audit period, its market share with respect to the amounts awarded to the companies making up this dominant group as well as with respect to the total amount of the contracts awarded by the boroughs in this sector and the number of boroughs in which each company is present.

Table 7 – List of the 12 Main Companies that Obtained Snow Clearing Equipment Rental Contracts (With or Without Operators) from 2005 to 2013
(amounts indicated in thousands of dollars)

Rank	Company	Amount	% of contracts awarded to the sector's 12 main companies	% of the total amount of contracts awarded in the sector (\$64.3 million)	Number of boroughs in which the company is present
1	Strongco Équipement inc.	\$8,962	21.4%	13.9%	9
2	Nortrax Québec inc.	\$8,640	20.7%	13.4%	8
3	Environnement Routier NRJ inc.	\$3,777	9.0%	5.9%	2
4	Entreprise Vaillant (1994) inc.	\$3,227	7.7%	5.0%	6
5	Longus Équipements inc.	\$2,914	7.0%	4.5%	5
6	Les Entreprises Canbec Construction inc.	\$2,686	6.4%	4.2%	2
7	Équipements Ontrac Québec inc.	\$2,486	5.9%	3.9%	6
8	Les pavages Dorval inc.	\$2,295	5.5%	3.6%	1
9	Excavation Mario Itée	\$2,061	4.9%	3.2%	1
10	Nepcon inc.	\$1,777	4.3%	2.8%	1
11	Excavation Anjou inc.	\$1,556	3.7%	2.4%	2
12	Les Entrepreneurs Chomedey inc.	\$1,474	3.5%	2.3%	1
	Total	\$41,855	100.0%	65.1%	

We note that these 12 companies are present in 17 boroughs and that the Outremont³⁷ and Montréal-Nord³⁸ boroughs are the only ones with which they do not have any dealings. Table 8 presents this group of companies in terms of their presence in the boroughs and the amount of the contracts they were awarded.

**Table 8 – Presence in the Boroughs
of the 12 Main Companies that Obtained
Snow Clearing Equipment Rental Contracts
(With or Without Operators) from 2005 to 2013
(amounts indicated in thousands of dollars)**

Strongco Équipement inc.		
Borough	Amount	Percentage
MHM	\$1,967	22%
Ahuntsic-Cartierville	\$1,472	16%
Villeray–Saint-Michel–Parc-Extension	\$1,083	12%
Rosemont–La Petite-Patrie	\$834	9%
Le Plateau-Mont-Royal	\$833	9%
Ville-Marie	\$724	8%
Le Sud-Ouest	\$685	8%
Pierrefonds-Roxboro	\$684	8%
CDN–NDG	\$680	8%
Total	\$8,962	100%

Nortrax Québec inc.		
Borough	Amount	Percentage
Ahuntsic-Cartierville	\$2,087	24%
CDN–NDG	\$1,561	18%
Villeray–Saint-Michel–La Petite-Patrie	\$1,430	17%
Ville-Marie	\$1,186	14%
Le Sud-Ouest	\$946	11%
Le Plateau-Mont-Royal	\$930	10%
MHM	\$396	5%
Rosemont–La Petite-Patrie	\$104	1%
Total	\$8,640	100%

Environnement Routier NRJ inc.		
Borough	Amount	Percentage
Rosemont–La Petite-Patrie	\$3,678	97%
CDN–NDG	\$99	3%
Total	\$3,777	100%

³⁷ According to our audit, the Outremont borough does not award contracts for snow clearing equipment rentals (with or without operators), snow loading or snow disposal operations (it does not operate a snow elimination site on its territory). Thus, we note that this borough only awards snow clearing contracts.

³⁸ As for the Montréal-Nord borough, it simply does not award contracts to these 12 main companies in this sector of activity.

Entreprise Vaillant (1994) inc.		
Borough	Amount	Percentage
Verdun	\$1,430	44%
Saint-Laurent	\$1,033	32%
Lachine	\$401	13%
Anjou	\$201	6%
Le Plateau-Mont-Royal	\$104	3%
Rosemont–La Petite-Patrie	\$58	2%
Total	\$3,227	100%

Longus Équipements inc.		
Borough	Amount	Percentage
Rosemont–La Petite-Patrie	\$2,606	89%
Pierrefonds-Roxboro	\$153	5%
MHM	\$83	3%
Ahuntsic-Cartierville	\$54	2%
Saint-Léonard	\$18	1%
Total	\$2,914	100%

Les Entreprises Canbec Construction inc.		
Borough	Amount	Percentage
Saint-Laurent	\$2,367	88%
Lachine	\$319	12%
Total	\$2,686	100%

Équipements Ontrac Québec inc.		
Borough	Amount	Percentage
MHM	\$745	30%
RDP–PAT	\$653	26%
Rosemont–La Petite-Patrie	\$559	23%
Anjou	\$262	11%
Saint-Léonard	\$233	9%
LaSalle	\$34	1%
Total	\$2,486	100%

Les pavages Dorval inc.		
Borough	Amount	Percentage
Saint-Laurent	\$2,295	100%
Total	\$2,295	100%

Excavation Mario Itée		
Borough	Amount	Percentage
Saint-Laurent	\$2,061	100%
Total	\$2,061	100%

Nepcon inc.		
Borough	Amount	Percentage
Saint-Laurent	\$1,777	100%
Total	\$1,777	100%

Excavation Anjou inc.		
Borough	Amount	Percentage
Anjou	\$1,500	96%
L'Île-Bizard–Sainte-Geneviève	\$56	4%
Total	\$1,556	100%

Les Entrepreneurs Chomedey inc.		
Borough	Amount	Percentage
RDP–PAT	\$1,474	100%
Total	\$1,474	100%

Total for these 12 companies	
\$41,855	

Furthermore, based on the contracts in force during our reference period (2005–2013), we note that four of these 12 companies were awarded 100% of city contracts in this sector of activity by a single borough, namely:

- Les Entrepreneurs Chomedey inc. in the RDP–PAT borough;
- Les pavages Dorval inc. in the Saint-Laurent borough;
- Excavation Mario Itée in the Saint-Laurent borough;
- Nepcon inc. also in the Saint-Laurent borough.

4.1.1.3. Companies Engaged in the Snow Loading Sector

4.1.1.3.A. Background and Findings

A total of 27 different companies and four groups comprised of various snow loading companies are engaged in this sector of activity. For each of these companies and groups, Table 9 indicates the amount of the contracts awarded, in force during the audit period, the market share with respect to the total amount of the contracts awarded by the boroughs in this sector of activity as well as the number of boroughs in which each company or group is present.

Table 9 – List of the 27 Companies and Four Corporate Groups that were Awarded Snow Loading Contracts from 2005 to 2013
(amounts indicated in thousands of dollars)

Rank	Company	Amount	% of the sector	Number of boroughs in which the company is present
1	Transvrac Montréal - Laval inc.	\$33,835	32.8%	10
2	Various transport operators ^[a]	\$7,030	6.8%	1
3	Transporteur en vrac St-Hyacinthe inc.	\$6,691	6.5%	4
4	Various transport operators ^[b]	\$5,557	5.4%	1
5	Gestion Yvan Pion inc.	\$4,735	4.6%	1
6	Les Entreprises de transport Charco ltée	\$4,714	4.6%	2
7	Les Entreprises T.G.R. inc.	\$3,971	3.8%	1
8	DF Transport en vrac SNC	\$3,832	3.7%	1
9	J.L. Michon Transports inc.	\$3,495	3.4%	2
10	Transport Mont-Blanc inc.	\$2,787	2.7%	2
11	Various transport operators ^[c]	\$2,769	2.7%	1
12	Gestion Gérard Boutin inc.	\$2,588	2.5%	3
13	Déneigement Fontaine Gadbois inc.	\$2,560	2.5%	1
14	Terrapro Construction inc.	\$2,391	2.3%	1
15	Noël & Fils 9124-4277 Québec inc.	\$2,081	2.0%	2
16	BDMP Transport en vrac SENC.	\$1,873	1.8%	1
17	Maçonnerie Martin Santerre	\$1,859	1.8%	1
18	Various transport operators ^[d]	\$1,490	1.4%	1
19	Service de location Ste-Croix inc.	\$1,469	1.4%	1
20	Transport 1941 Québec inc.	\$1,202	1.2%	1
21	Michel Trussart	\$1,096	1.1%	2
22	Excavation Constant inc.	\$893	0.9%	1
23	Martin Lefebvre Transport inc.	\$880	0.8%	1
24	9149-9418 Québec inc.	\$755	0.7%	1
25	Transport Reynald Boulay et fils inc.	\$747	0.7%	1
26	4370-503 Canada inc.	\$699	0.7%	1
27	9182-9960 Québec inc.	\$567	0.5%	1
28	Transport MJM	\$275	0.3%	1
29	Transport Philippe Desgranges	\$184	0.2%	1
30	Entreprises Michel Lampron	\$126	0.1%	1
31	NMP Golf Construction inc.	\$125	0.1%	1
	Total	\$103,276	100.0%	

[a], [b], [c], [d] These refer to several private contracts with various snow loading companies approved by Verdun, Saint-Laurent, Montréal-Nord and Saint-Léonard boroughs, respectively.

The companies engaged in the snow loading sector were awarded 20% (\$103.3 million/\$528.0 million) of the total amount of the contracts in force between 2005 and 2013 in the boroughs with respect to all snow clearing operations. Appendix 6.3 of this audit report indicates the amount of the contracts awarded to the companies (or corporate groups) that provide snow loading services for each year during this reference period.

We note that three main groups stand out in this sector of activity:

- The first group is made up of seven companies, which were individually awarded contracts in force from 2005 to 2013 for a cumulative amount of more than \$3 million. Overall, the contracts awarded to these companies represent a total amount of \$61.3 million, namely 59% (\$61.3 million/\$103.3 million) of the total amount of contracts awarded in this sector of activity. Table 10 presents these companies, the amount of the contracts awarded to each as well as the number of boroughs in which each is present.

Table 10 – Group 1 – List of the Seven Companies that were Awarded Snow Loading Contracts Over \$3 million from 2005 to 2013
(amounts indicated in thousands of dollars)

Rank	Company	Amount	Number of boroughs in which the company is present
1	Transvrac Montréal - Laval inc.	\$33,835	10
2	Transporteur en vrac St-Hyacinthe inc.	\$6,691	4
3	Gestion Yvan Pion inc.	\$4,735	1
4	Les Entreprises de transport Charco ltée	\$4,714	2
5	Les Entreprises T.G.R. inc.	\$3,971	1
6	DF Transport en vrac SNC	\$3,832	1
7	J.L. Michon Transports inc.	\$3,495	2
	Total	\$61,273	

Within this group, we note that Transvrac Montréal - Laval inc. dominates this sector of activity, having been awarded 33% (\$33.8 million/\$103.3 million) of all of the snow loading contracts in force within the boroughs during the audit period. This company is present in ten boroughs. It should be noted that it is a non-profit trucking association which holds a trucking services brokerage permit issued by the Ministère des Transports du Québec. This company serves as an intermediary between requiring boroughs and private truckers for the supply of the trucks needed to load the snow and transport it to the elimination sites. Seeing as the company's transportation rates are set in accordance with the *Recueil des tarifs de transport de neige et de glace du ministère des Transports du Québec* and that there is no point in having the transportation companies compete because they all charge the same rates, contracts are awarded on a private basis in accordance with the exception set out in Section 573.3 of the CTA.³⁹ This company therefore manages the trucks assigned to clients, including certain city boroughs that use its services.

³⁹ Section 573.3: "Sections 573, 573.1 and 573.3.0.2 do not apply to a contract whose object is the supply of equipment or materials or the providing of services for which a tariff is fixed or approved by the Government of Canada or of Québec or by a minister or body thereof."

Overall, based on the information we collected during our audit, we note that these seven companies are present in 16 boroughs, as indicated in Table 11.

Table 11 – Engagement in the Boroughs of the Seven Main Companies that were Awarded Snow Loading Contracts from 2005 to 2013
(amounts indicated in thousands of dollars)

Transvrac Montréal - Laval inc.		
Borough	Amount	Percentage
LaSalle	\$15,111	45%
Saint-Laurent	\$9,325	27%
Lachine	\$2,749	8%
CDN-NDG	\$1,662	5%
Verdun	\$1,255	4%
Le Plateau-Mont-Royal	\$1,236	4%
Saint-Léonard	\$1,144	3%
Anjou	\$933	3%
Pierrefonds-Roxboro	\$311	1%
Montréal-Nord	\$109	0%
Total	\$33,835	100%

Transporteur en vrac St-Hyacinthe inc.		
Borough	Amount	Percentage
Villeray-Saint-Michel-Parc-Extension	\$3,275	49%
Le Plateau-Mont-Royal	\$2,354	35%
Ville-Marie	\$566	9%
MHM	\$496	7%
Total	\$6,691	100%

Gestion Yvan Pion inc.		
Borough	Amount	Percentage
Ahuntsic-Cartierville	\$4,735	100%
Total	\$4,735	100%

Les Entreprises de transport Charco ltée		
Borough	Amount	Percentage
Le Plateau-Mont-Royal	\$3,057	65%
RDP-PAT	\$1,657	35%
Total	\$4,714	100%

Les Entreprises T.G.R. inc.		
Borough	Amount	Percentage
Rosemont-La Petite-Patrie	\$3,971	100%
Total	\$3,971	100%

DF Transport en vrac SNC		
Borough	Amount	Percentage
Ville-Marie	\$3,832	100%
Total	\$3,832	100%

5.11. Snow Clearing Contracts Awarded from 2005 to 2013

J.L. Michon Transports inc.		
Borough	Amount	Percentage
MHM	\$2,538	73%
RDP-PAT	\$957	27%
Total	\$3,495	100%

Total for these seven companies	
\$61,273	

- The second group is comprised of 20 companies, which were individually awarded contracts in force from 2005 to 2013 for a cumulative amount of less than \$3 million, varying from \$125,580 to \$2,786,802. In most cases, we note that these companies are present in a single borough, with the exception of four that are present in two or three boroughs during the audit period, namely:
 - Transport Mont-Blanc inc.;
 - Gestion Gérard Boutin inc.;
 - Noël & Fils 9124-4277 Québec inc.;
 - Michel Trussart.

Table 12 presents this group of companies, the amount of the contracts awarded as well as the number of boroughs in which each company is present.

Table 12 – Group 2 – List of 20 Companies that were Awarded Snow Loading Contracts of Less than \$3 Million from 2005 to 2013
(amounts indicated in thousands of dollars)

Rank	Company	Amount	Number of boroughs in which the company is present
1	Transport Mont-Blanc inc.	\$2,787	2
2	Gestion Gérard Boutin inc.	\$2,588	3
3	Déneigement Fontaine Gadbois inc.	\$2,560	1
4	Terrapro Construction inc.	\$2,391	1
5	Noël & Fils 9124-4277 Québec inc.	\$2,081	2
6	BDMP Transport en vrac SENC.	\$1,873	1
7	Maçonnerie Martin Santerre	\$1,859	1
8	Service de location Ste-Croix inc.	\$1,469	1
9	Transport 1941 Québec inc.	\$1,202	1
10	Michel Trussart	\$1,096	2
11	Excavation Constant inc.	\$893	1
12	Martin Lefebvre Transport inc.	\$880	1
13	9149-9418 Québec inc.	\$755	1
14	Transport Reynald Boulay et fils inc.	\$747	1
15	4370-503 Canada inc.	\$699	1
16	9182-9960 Québec inc.	\$567	1
17	Transport MJM	\$275	1
18	Transport Philippe Desgranges	\$184	1
19	Entreprises Michel Lampron	\$126	1
20	NMP Golf Construction inc.	\$125	1
	Total	\$25,157	

- Finally, the third group is comprised of various transportation companies with which the Verdun, Saint-Laurent, Montréal-Nord and Saint-Léonard boroughs transacted during the audit period to have their snow loaded and transported to elimination sites. Based on the information we received, these contracts—totalling \$7.0 million (Verdun borough), \$5.6 million (Saint-Laurent borough), \$2.8 million (Montréal-Nord borough) and \$1.5 million (Saint-Léonard borough)—were awarded privately for the supply of trucks with or without operators in accordance with the tooling voucher system that we described previously in this audit report.

In light of the information collected, these four boroughs began awarding contracts to Transvrac Montréal - Laval inc. as of 2012 (Verdun borough), 2008 (Saint-Laurent borough), 2013 (Montréal-Nord borough) and 2010 (Saint-Léonard borough).

4.1.1.4. Companies Engaged in Snow Disposal Operations

4.1.1.4.A. Background and Findings

These 14 companies obtained 6% (\$34.1 million/\$528.0 million) of the total amount of contracts awarded, in force within the boroughs, with respect to all snow clearing operations.

For each of the companies engaged in this sector, Table 13 indicates the amount awarded in contracts, in force during the audit period, its market share with respect to the total amount of the contracts awarded by the boroughs in this sector of activity as well as the number of boroughs in which each company is present.

Table 13 – List of the 14 Companies that were Awarded Snow Disposal Contracts from 2005 to 2013
(amounts indicated in thousands of dollars)

Rank	Company	Amount	% of the sector	Number of boroughs in which the company is present
1	Gaston Contant inc.	\$16,176	47.4%	4
2	Environnement Routier NRJ inc.	\$6,034	17.7%	1
3	Serge Paquette Excavation	\$5,074	14.9%	1
4	Construction DJL inc.	\$2,451	7.2%	1
5	Construction J. Richard Gauthier inc.	\$1,547	4.5%	1
6	Y & R Paquette inc.	\$992	2.9%	1
7	John Meunier inc.	\$430	1.3%	1
8	Aquatech, Société de gestion de l'eau inc.	\$409	1.2%	1
9	Simo Management inc.	\$402	1.2%	1
10	Entreprise Vaillant (1994) inc.	\$192	0.5%	1
11	Les Pavages Chenails inc.	\$185	0.5%	1
12	Transport Camille Dionne (1991) inc.	\$181	0.5%	1
13	Catalogna et Frères Itée	\$45	0.1%	1
14	Groupe Imog inc.	\$28	0.1%	1
	Total	\$34,146	100.0%	

Within this group, five companies hold a large share of this sector of activity and were separately awarded contracts, in force from 2005 to 2013, for a cumulative amount of more than \$1.5 million, namely:

- Gaston Contant inc.;
- Environnement Routier NRJ inc.;
- Serge Paquette Excavation;
- Construction DJL inc.;
- Construction J. Richard Gauthier inc.

These five companies alone received contracts totalling \$31.3 million, i.e., 92% (\$31.3 million/\$34.1 million) of the total amount of the contracts identified in this sector of activity during the reference period.

Of these five companies, we note more particularly that Gaston Contant inc., which is present in four boroughs, tops the list with contracts during the audit period totalling \$16.2 million, i.e., 47% (\$16.2 million/\$34.1 million) of the total amount of the contracts awarded in this sector of activity. The four other companies of these five are present in a single borough each. Table 14 indicates these five companies' presence in the boroughs as well as the amount of the contracts in force during the audit period.

Table 14 – Presence in the Boroughs of the Five Main Companies that were Awarded Snow Disposal Contracts from 2005 to 2013
(amounts indicated in thousands of dollars)

Gaston Contant inc.		
Borough	Amount	Percentage
Anjou	\$6,849	42%
Saint-Léonard	\$6,039	37%
RDP-PAT	\$2,906	18%
Lachine	\$382	3%
Total	\$16,176	100%

Environnement Routier NRJ inc.		
Borough	Amount	Percentage
LaSalle	\$6,034	100%
Total	\$6,034	100%

Serge Paquette Excavation		
Borough	Amount	Percentage
LaSalle	\$5,074	100%
Total	\$5,074	100%

Construction DJL inc.		
Borough	Amount	Percentage
Le Sud-Ouest	\$2,451	100%
Total	\$2,451	100%

Construction J. Richard Gauthier inc.		
Borough	Amount	Percentage
Lachine	\$1,547	100%
Total	\$1,547	100%

Total for these five companies	
\$31,282	

In light of the information presented in Table 14, we note that these five companies are present in six of the seven boroughs that award snow disposal contracts. They are not present in the Saint-Laurent borough, which awards contracts for snow disposal operations to three companies, namely:

- John Meunier inc.;
- Aquatech, Société de gestion de l'eau inc.;
- Simo Management inc.

Appendix 6.4 of this audit report indicates, for each year, the amount of the contracts in force during the audit period for the 14 companies that handle snow disposal operations. Table 15 indicates these 14 companies' presence in the boroughs as well as the total amount of related contracts.

Table 15 – Presence in the Boroughs of the 14 Companies that were Awarded Snow Disposal Contracts from 2005 to 2013
(amounts indicated in thousands of dollars)

Gaston Contant inc.		
Borough	Amount	Percentage
Anjou	\$6,849	42%
Saint-Léonard	\$6,039	37%
RDP-PAT	\$2,906	18%
Lachine	\$382	3%
Total	\$16,176	100%

Environnement Routier NRJ inc.		
Borough	Amount	Percentage
LaSalle	\$6,034	100%
Total	\$6,034	100%

5.11. Snow Clearing Contracts Awarded from 2005 to 2013

Serge Paquette Excavation		
Borough	Amount	Percentage
LaSalle	\$5,074	100%
Total	\$5,074	100%

Construction DJL inc.		
Borough	Amount	Percentage
Le Sud-Ouest	\$2,451	100%
Total	\$2,451	100%

Construction J. Richard Gauthier inc.		
Borough	Amount	Percentage
Lachine	\$1,547	100%
Total	\$1,547	100%

Y & R Paquette inc.		
Borough	Amount	Percentage
RDP-PAT	\$992	100%
Total	\$992	100%

John Meunier inc.		
Borough	Amount	Percentage
Saint-Laurent	\$430	100%
Total	\$430	100%

Aquatech, Société de gestion de l'eau inc.		
Borough	Amount	Percentage
Saint-Laurent	\$409	100%
Total	\$409	100%

Simo Management inc.		
Borough	Amount	Percentage
Saint-Laurent	\$402	100%
Total	\$402	100%

Entreprise Vaillant (1994) inc.		
Borough	Amount	Percentage
Lachine	\$192	100%
Total	\$192	100%

Les Pavages Chenails inc.		
Borough	Amount	Percentage
Lachine	\$185	100%
Total	\$185	100%

Transport Camille Dionne (1991) inc.		
Borough	Amount	Percentage
Saint-Léonard	\$181	100%
Total	\$181	100%

Catalogna et Frères Itée		
Borough	Amount	Percentage
Lachine	\$45	100%
Total	\$45	100%

Groupe Imog inc.		
Borough	Amount	Percentage
Le Sud-Ouest	\$28	100%
Total	\$28	100%

Total for these 14 companies	
\$34,146	

Conclusion

Taking into account all of the sectors of activity covered by our audit, we note that 21 companies are engaged in more than one sector of activity. More specifically, three companies are engaged in three sectors of activity and 18 companies are engaged in two sectors of activity. Overall, these companies were awarded contracts, in force during the audit period, of an amount totalling \$177.1 million, namely 34% (\$177.1 million/\$528.0 million) of the total amount of contracts awarded for all snow clearing operations. Table 16 presents these companies and the total amount of the contracts awarded to each.

Table 16 – List of the 21 Companies that were Awarded Contracts in Several Sectors of Activity from 2005 to 2013
(amounts indicated in thousands of dollars)

Rank	Company	Sector of activity				Total
		Snow clearing	Snow clearing equipment rentals (with or without operators)	Snow loading	Snow disposal operations	
1	C.M.S. Entrepreneurs Généraux inc.	\$31,365	\$755	\$-	\$-	\$32,120
2	Environnement Routier NRJ inc.	\$20,376	\$3,777	\$-	\$6,034	\$30,187
3	Transport Rosemont inc.	\$27,957	\$802	\$-	\$-	\$28,759
4	Les Entreprises Canbec Construction inc.	\$13,058	\$2,686	\$-	\$-	\$15,744
5	J.L. Michon Transports inc.	\$8,184	\$171	\$3,495	\$-	\$11,850
6	Les Entreprises T.G.R. inc.	\$4,990	\$-	\$3,971	\$-	\$8,961
7	NMP Golf Construction inc.	\$8,235	\$-	\$125	\$-	\$8,360
8	Déneigement Fontaine Gadbois inc.	\$4,094	\$817	\$2,560	\$-	\$7,471
9	Ramcor Construction inc.	\$6,755	\$509	\$-	\$-	\$7,264
10	Les Entrepreneurs Chomedey inc.	\$3,985	\$1,474	\$-	\$-	\$5,459
11	Catalogna et Frères Itée	\$4,607	\$-	\$-	\$45	\$4,652
12	Entreprise Vaillant (1994) inc.	\$-	\$3,227	\$-	\$192	\$3,419
13	Gestion Gérard Boutin inc.	\$-	\$604	\$2,588	\$-	\$3,192
14	Pépinère et Paysagiste Marina inc.	\$2,272	\$383	\$-	\$-	\$2,655
15	Construction J. Richard Gauthier inc.	\$-	\$552	\$-	\$1,547	\$2,099
16	Entreprises Réjean Desgranges inc.	\$1,844	\$167	\$-	\$-	\$2,011
17	Transport DM Choquette inc.	\$706	\$614	\$-	\$-	\$1,320
18	Groupe TMD inc. (9150-2732 Québec inc.)	\$327	\$484	\$-	\$-	\$811
19	Transport Camille Dionne (1991) inc.	\$-	\$450	\$-	\$181	\$631
20	Les Excavations K. McElligott inc.	\$38	\$43	\$-	\$-	\$81
21	Les Contracteurs P.G. inc.	\$49	\$17	\$-	\$-	\$66
	Total	\$138,842	\$17,532	\$12,739	\$7,999	\$177,112

In conclusion, with respect to the four sectors of activity examined with respect to snow clearing operations, based on the distribution of the companies within city boroughs, we make the following findings regarding the companies that were awarded 100% of the contracts by a single borough, in force during the nine years of the audit period:

- Snow clearing:
 - Les Entreprises Michaudville inc. in Le Plateau-Mont-Royal borough;
 - Environnement Routier NRJ inc. in the Outremont borough;
 - Les Pavages D’Amour inc. in the Pierrefonds-Roxboro borough.
- Snow clearing equipment rentals (with or without operators):
 - No company was awarded 100% of the contracts by a single borough.
- Snow loading:
 - Transvrac Montréal - Laval inc.⁴⁰ in the LaSalle borough.
- Snow disposal operations:
 - Gaston Contant inc. in the Anjou borough.

Moreover, the companies that were awarded between 80% and 99% of the contracts by a single borough, in force during eight or nine years of the audit period, in each snow clearing sector, are as follows:

- Snow clearing:
 - Déneigement Moderne inc. in the MHM borough (2006–2013).
- Snow clearing equipment rentals (with or without operators):
 - No company was awarded between 80% and 99% of the contracts by a single borough.
- Snow loading:
 - Transporteur en vrac St-Hyacinthe inc. in the Villeray–Saint-Michel–Parc-Extension borough (2005–2013).
- Snow disposal operations:
 - Gaston Contant inc. in the Saint-Léonard borough (2006–2013);
 - Construction DJL inc. in Le Sud-Ouest borough (2005–2013).

Finally, the companies that were awarded between 50% and 79% of the contracts by a single borough, in force during eight or nine years during the audit period, in each snow clearing sector, are as follows:

- Snow clearing:
 - Les Entreprises PM Pavages inc. in the Anjou borough (2006–2013);
 - Les Entreprises Canbec Construction inc. in the Saint-Laurent borough (2005–2013);

⁴⁰ Reminder: This is a transportation brokerage company to which the boroughs may award private contracts by virtue of an exception to the rules for the awarding of contracts set out in the CTA.

- Transport Rosemont inc. in the Rosemont–La Petite-Patrie borough (2005–2013);
- C.M.S. Entrepreneurs Généraux inc. in the CDN–NDG borough (2005–2013).
- Snow clearing equipment rentals (with or without operators):
 - Les Entrepreneurs Chomedey inc. in the RDP–PAT borough (2005–2013).
- Snow loading:
 - Gestion Yvan Pion inc. in the Ahuntsic-Cartierville borough (2005–2013);
 - DF Transport en vrac SNC in the Ville-Marie borough (2005–2013).
- Snow disposal operations:
 - No company was awarded between 50% and 79% of all contracts by a single borough.

Moreover, we also note that 37 companies among the 167 identified during our audit were awarded contracts by at least one borough on a regular basis from 2005 to 2013, i.e. yearly (refer to Appendix 6.5). More specifically, we note the following:

- With respect to snow clearing contracts:
 - In 11⁴¹ boroughs, the same 15 companies were awarded contracts;
 - Three of these 15 companies were awarded 100% of the contracts for this period by three boroughs: Outremont, Pierrefonds-Roxboro and Le Plateau-Mont-Royal.
- With respect to snow clearing equipment rental contracts (with or without operators):
 - In five⁴² boroughs, the same 18 contracts were awarded contracts;
 - The Saint-Laurent borough awarded contracts to 11 companies out of these 18, whereas the LaSalle borough awarded contracts to three of these 18 companies;
 - The Anjou and Verdun boroughs respectively awarded contracts to the same two companies. However, it should be noted that the companies varied from one borough to the other.
- With respect to snow loading contracts:
 - In four⁴³ boroughs, the same four companies were awarded contracts. However, it should be noted this group of four companies includes a transportation broker (Transvrac Montréal - Laval inc.) to which the boroughs may award private contracts by virtue of an exception to the rules for awarding contracts set out in the CTA. Apart from Transvrac Montréal - Laval inc., which was awarded 100% of the contracts, another company obtained 87% of the contracts during the same reference period.
- Finally, with respect to snow disposal contracts:
 - In two⁴⁴ boroughs, the same companies were awarded contracts;
 - One company obtained 100% of the contracts awarded by Anjou borough, while the other obtained 99% of the contracts awarded by Le Sud-Ouest borough.

⁴¹ The 11 boroughs are: Ahuntsic-Cartierville, Anjou, CDN–NDG, Lachine, Outremont, Pierrefonds-Roxboro, Le Plateau-Mont-Royal, RDP–PAT, Rosemont–La Petite-Patrie, Saint-Laurent and Saint-Léonard.

⁴² The five boroughs are: Anjou, LaSalle, RDP–PAT, Saint-Laurent and Verdun.

⁴³ The four boroughs are: Ahuntsic-Cartierville, LaSalle, Ville-Marie and Villeray–Saint-Michel–Parc-Extension.

⁴⁴ The two boroughs are: Anjou and Le Sud-Ouest.

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 Spent by the Boroughs on Snow Clearing Operations

4.1.2.A. Background and Findings

The previous section presented primarily the “market” distribution between the various contracted companies making up the snow clearing “market” 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 spent a total of \$528.0 million on snow clearing operations (refer to Appendix 6.6), i.e., \$326.3 million (62%) on snow clearing (refer to Appendix 6.7), \$64.3 million (12%) on snow clearing equipment rentals (with or without operators) (refer to Appendix 6.8), \$103.3 million (20%) on snow loading (refer to Appendix 6.9) and \$34.1 million (6%) on snow disposal operations (refer to Appendix 6.10).

Table 17 shows the amounts allotted by each borough to these activities.

Table 17 – Total Amounts Spent by the Boroughs on Snow Clearing Operations from 2005 to 2013
(amounts indicated in thousands of dollars)

Borough	Snow clearing (C)		Snow clearing equipment rentals (with or without operators) (R)		Snow loading (L)		Snow disposal operations (D)		Total		C	R	L	D	Total
	Amount	% city	Amount	% city	Amount	% city	Amount	% city	Amount	% city					
RDP-PAT	\$36,918	11.3%	\$2,127	3.3%	\$7,403	7.2%	\$3,898	11.4%	\$50,346	9.54%	73%	4%	15%	8%	100%
Ahuntsic-Cartierville	\$34,480	10.6%	\$3,972	6.2%	\$6,203	6.0%	\$-	0.0%	\$44,655	8.46%	77%	9%	14%	0%	100%
Ville-Marie	\$32,194	9.9%	\$3,035	4.7%	\$7,154	6.9%	\$-	0.0%	\$42,383	8.03%	76%	7%	17%	0%	100%
Saint-Laurent	\$12,469	3.8%	\$13,285	20.7%	\$14,882	14.4%	\$1,241	3.6%	\$41,877	7.93%	30%	32%	35%	3%	100%
Saint-Léonard	\$30,222	9.2%	\$1,637	2.6%	\$2,634	2.6%	\$6,220	18.2%	\$40,713	7.71%	74%	4%	7%	15%	100%
Rosemont-La Petite-Patrie	\$19,853	6.1%	\$9,351	14.6%	\$7,592	7.4%	\$-	0.0%	\$36,796	6.97%	54%	25%	21%	0%	100%
MHM	\$23,784	7.3%	\$4,966	7.7%	\$7,622	7.4%	\$-	0.0%	\$36,372	6.89%	65%	14%	21%	0%	100%
CDN-NDG	\$29,254	9.0%	\$3,345	5.2%	\$3,535	3.4%	\$-	0.0%	\$36,134	6.84%	81%	9%	10%	0%	100%
Villeray-Saint-Michel-Parc-Extension	\$24,433	7.5%	\$3,211	5.0%	\$3,755	3.6%	\$-	0.0%	\$31,399	5.95%	78%	10%	12%	0%	100%
LaSalle	\$-	0.0%	\$3,778	5.9%	\$15,111	14.6%	\$11,109	32.5%	\$29,998	5.68%	0%	13%	50%	37%	100%
Le Plateau-Mont-Royal	\$17,829	5.4%	\$2,513	3.9%	\$8,275	8.0%	\$-	0.0%	\$28,617	5.42%	62%	9%	29%	0%	100%
Le Sud-Ouest	\$17,119	5.2%	\$1,630	2.5%	\$3,955	3.8%	\$2,479	7.3%	\$25,183	4.77%	68%	6%	16%	10%	100%
Montréal-Nord	\$14,169	4.3%	\$537	0.8%	\$2,878	2.8%	\$-	0.0%	\$17,584	3.33%	81%	3%	16%	0%	100%
Outremont	\$17,186	5.3%	\$-	0.0%	\$-	0.0%	\$-	0.0%	\$17,186	3.26%	100%	0%	0%	0%	100%
Anjou	\$6,224	1.9%	\$3,166	4.9%	\$933	0.9%	\$6,849	20.1%	\$17,172	3.25%	36%	19%	5%	40%	100%
Lachine	\$7,474	2.3%	\$1,617	2.5%	\$2,749	2.7%	\$2,350	6.9%	\$14,190	2.69%	53%	11%	19%	17%	100%
Verdun	\$-	0.0%	\$3,140	4.9%	\$8,284	8.0%	\$-	0.0%	\$11,424	2.16%	0%	27%	73%	0%	100%
Pierrefonds-Roxboro	\$2,506	0.8%	\$2,914	4.5%	\$311	0.3%	\$-	0.0%	\$5,731	1.08%	44%	51%	5%	0%	100%
L'Île-Bizard-Sainte-Geneviève	\$184	0.1%	\$56	0.1%	\$-	0.0%	\$-	0.0%	\$240	0.04%	77%	23%	0%	0%	100%
Total or percentage	\$326,298	100.0%	\$64,280	100.0%	\$103,276	100.0%	\$34,146	100.0%	\$528,000	100.00%	62%	12%	20%	6%	100%

Although the average percentages of the amounts spent by the 19 boroughs sit at 62% for snow clearing, 12% for snow clearing equipment rentals (with or without operators), 20% for snow loading and 6% for snow disposal operations, these percentages vary from one borough to the next. Indeed, apart from the LaSalle and Verdun boroughs, which entrust blue collar workers with snow clearing on their territories, as well as the Outremont borough, which contracts 100% of its snow clearing operations to private contractors, we note that, in the case of the other boroughs, the percentage of snow clearing contracts in force during the audit period varied from 30% to 81%. With respect to snow clearing equipment rental contracts (with or without operators), the percentage varied from 3% to 51%, excluding the Outremont borough for which we were unable to find any contract covering this sector of activity. As for snow loading contracts awarded, the percentage varied from 5% to 73%, excluding the L'Île-Bizard–Sainte-Geneviève and Outremont boroughs for which we were unable to find any contract covering this sector of activity. For snow disposal contracts, the percentages varied from 3% to 40% in the case of boroughs with elimination sites on their territory that do not carry out the operations internally, i.e.:

- RDP–PAT (one snow dump);
- Saint-Laurent (two snow dumps, three sewer chutes);
- Saint-Léonard (one snow dump);
- LaSalle (one snow dump);
- Le Sud-Ouest (one snow dump, three sewer chutes);
- Anjou (one snow dump);
- Lachine (two snow dumps, one sewer chute).

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 snow clearing, snow clearing equipment rentals (with or without operators), snow loading or snow disposal operations—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 the areas of the sectors covered by snow clearing contracts, the distances to be covered to transport the borough's snow to the elimination sites, the number of locations that need to be cleared of snow (e.g., public places, parking lots) or the required snow clearing frequency depending on snow accumulation.

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 all snow clearing operations, 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 the market);
- 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 snow clearing 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 snow clearing operations, 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 snow clearing and to forward this report to the members of the executive committee and the city council. (Planned completion: first annual report [covering the winter of 2013-2014] – September 2014; following that, production of the annual report in May or June each year)*

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 snow clearing operations 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 winter road maintenance) 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 snow clearing activities 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 snow clearing operations. 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, linear metres, cubic metres).

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 [...]

Generally, 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 file 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 following⁴⁵:

- 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:
 - between 16% and 204% for snow clearing tenders;
 - between 16% and 74% for snow loading tenders;
 - between 16% and 98% for snow disposal tenders.
- In the case of 8⁴⁶ 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 8⁴⁷ 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.

⁴⁵ Note that the data supporting these findings is the same as shown in the 2013 annual report; it was not updated in September 2014.

⁴⁶ The eight boroughs are: Ahuntsic-Cartierville, Anjou, CDN-NDG, Lachine, LaSalle, Le Plateau-Mont-Royal, Saint-Laurent and Ville-Marie.

⁴⁷ The eight boroughs are: Anjou, CDN-NDG, MHM, Le Plateau-Mont-Royal, Rosemont-La Petite-Patrie, Saint-Léonard, Ville-Marie and Villeray-Saint-Michel-Parc-Extension.

- In the case of 17⁴⁸ 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 2⁴⁹ 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 3⁵⁰ 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 14⁵¹ 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 the case of 4⁵² of the 19 boroughs, we noted that related companies submitted simultaneous bids.
- In the case of one⁵³ borough, 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;
 - the unit cost per linear metre, cubic metre or metric tonne;
 - inclusion or exclusion of the consumer price index (CPI) and transportation price index (TPI).

Also, our audit revealed that a certain number of contracts were transferred by the companies to which they had been awarded in accordance with the provisions stipulated in the specifications and with the approval of the concerned boroughs. Although we did not analyze these assignments in depth, it is our opinion that this mode of contract acquisition increases the risk of favouring tacit understandings between companies seeking to exchange contracts.

⁴⁸ The 17 boroughs are: Ahuntsic-Cartierville, Anjou, CDN-NDG, L'Île-Bizard-Sainte-Geneviève, Lachine, MHM, Montréal-Nord, Outremont, Pierrefonds-Roxboro, Le Plateau-Mont-Royal, RDP-PAT, Rosemont-La Petite-Patrie, Saint-Laurent, Saint-Léonard, Le Sud-Ouest, Ville-Marie and Villeray-Saint-Michel-Parc-Extension.

⁴⁹ The two boroughs are: Saint-Léonard and Ville-Marie.

⁵⁰ The three boroughs are: Ahuntsic-Cartierville, Anjou and Le Sud-Ouest.

⁵¹ The 14 boroughs are: Ahuntsic-Cartierville, CDN-NDG, L'Île-Bizard-Sainte-Geneviève, Lachine, MHM, Outremont, Pierrefonds-Roxboro, Le Plateau-Mont-Royal, RDP-PAT, Rosemont-La Petite-Patrie, Saint-Léonard, Le Sud-Ouest, Ville-Marie and Villeray-Saint-Michel-Parc-Extension.

⁵² The four boroughs are: Ahuntsic-Cartierville, MHM, Saint-Léonard and Le Sud-Ouest.

⁵³ The Lachine borough.

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 by providing for the Montréal territory an overall portrait of the contracts awarded over the course of the last nine years (2005–2013) with respect to the four main sectors of snow clearing activity, i.e., snow clearing, snow clearing equipment rentals (with or without operators), snow loading and snow disposal operations. Our hope is that our audit findings contribute to giving the authorities an additional reason to intervene as rapidly as possible to eliminate certain collusive practices that appear to exist in sectors of activity other than infrastructure construction.

While we do not purport to show beyond a doubt that bid rigging exists among businesses to share contracts for snow clearing operations on the territory of the various boroughs, our audit brought to light a sufficient number of indicative factors to raise 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 that notably emphasize the fact that a limited number of companies are constantly and consistently awarded the snow clearing contracts. Even more convincing was our finding that certain boroughs, in the past nine years, had awarded exclusive contracts to a single contractor in certain snow clearing 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 an openly competitive market, 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 snow clearing operations 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 the snow clearing 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 city authorities. The ultimate goal is to help improve the management practices concerning snow clearing operations and enable free and open competition so that the citizens can receive fair value for the services provided. In short, we believe that measures should be taken rapidly to allow all decision-makers, both administrative and political, to obtain the best prices for the services requested.

6. Appendices

6.1. Snow Clearing Contracts in Force from 2005 to 2013, by Company

Table A – Amounts of the Contracts in Force from 2005 to 2013, by Company – Snow Clearing

Rank	Company	Contract amounts									Total	%
		2005	2006	2007	2008	2009	2010	2011	2012	2013		
1	C.M.S. Entrepreneurs Généraux inc.	\$1,390,416	\$2,075,887	\$2,789,992	\$5,099,389	\$4,590,529	\$4,113,748	\$3,709,430	\$3,582,109	\$4,013,049	\$31,364,549	9.61%
2	Transport Rosemont inc.	\$1,107,241	\$2,390,967	\$2,851,759	\$2,933,490	\$3,643,779	\$3,691,818	\$3,572,561	\$3,694,038	\$4,071,732	\$27,957,385	8.57%
3	Environnement Routier NRJ inc.	\$2,591,750	\$2,443,437	\$3,364,533	\$1,997,564	\$1,997,564	\$1,997,564	\$1,997,564	\$1,993,218	\$1,993,218	\$20,376,412	6.24%
4	Déneigement Moderne inc. ^[a]	\$-	\$892,651	\$2,728,923	\$2,810,790	\$2,895,114	\$2,981,967	\$1,922,855	\$2,811,441	\$2,914,574	\$19,958,315	6.12%
5	A & O Gendron inc.	\$535,503	\$1,117,988	\$2,362,575	\$2,487,282	\$2,540,338	\$2,594,987	\$2,293,772	\$2,247,065	\$3,480,630	\$19,660,140	6.03%
6	Les Entreprises Michaudville inc.	\$896,440	\$1,271,937	\$1,969,592	\$2,028,680	\$2,089,541	\$2,152,227	\$2,231,676	\$2,548,246	\$2,640,889	\$17,829,228	5.46%
7	Les Excavations Payette ltée	\$982,583	\$1,304,780	\$1,941,507	\$1,996,747	\$2,072,570	\$2,097,795	\$1,823,548	\$1,231,748	\$1,049,972	\$14,501,250	4.44%
8	Les Entreprises Canbec Construction inc.	\$567,982	\$798,489	\$1,247,487	\$1,279,944	\$2,080,157	\$1,452,566	\$1,627,366	\$1,989,903	\$2,014,296	\$13,058,190	4.00%
9	Lagacé Transport inc.	\$-	\$571,677	\$1,790,499	\$1,853,256	\$1,899,581	\$1,956,569	\$1,571,944	\$664,873	\$664,873	\$10,973,272	3.36%
10	Jean-Paul Trahan (1980) ltée	\$200,117	\$719,314	\$978,759	\$1,008,122	\$1,038,365	\$1,069,516	\$1,274,049	\$1,637,254	\$1,637,254	\$9,562,750	2.93%
11	Les Entrepreneurs Bucaro inc.	\$320,318	\$891,700	\$854,009	\$1,149,926	\$768,437	\$952,757	\$1,068,678	\$1,201,904	\$1,458,856	\$8,666,585	2.66%
12	NMP Golf Construction inc.	\$-	\$286,000	\$895,869	\$922,745	\$950,427	\$978,940	\$1,514,574	\$1,514,574	\$8,235,129	\$2,529,229	2.52%
13	J.L. Michon Transports inc.	\$581,808	\$363,903	\$245,764	\$752,114	\$774,677	\$805,791	\$1,132,726	\$1,738,995	\$1,788,306	\$8,184,084	2.51%
14	Pépinère Michel Tanguay inc.	\$-	\$206,511	\$543,450	\$533,827	\$788,146	\$788,146	\$1,055,195	\$1,597,386	\$1,597,386	\$7,110,047	2.18%
15	Concorbec inc.	\$257,979	\$726,953	\$748,761	\$771,224	\$794,361	\$823,246	\$936,296	\$955,022	\$974,123	\$6,987,965	2.14%
16	Ramcor Construction inc.	\$-	\$218,321	\$574,529	\$782,238	\$1,121,131	\$1,121,131	\$1,121,131	\$1,121,131	\$695,101	\$6,754,713	2.07%
17	J.M. Gagné inc.	\$2,020,986	\$1,791,349	\$1,097,316	\$653,380	\$672,982	\$459,872	\$-	\$-	\$-	\$6,695,885	2.05%
18	Transport Gilbert Hamelin inc.	\$563,592	\$586,130	\$668,917	\$729,170	\$729,170	\$729,170	\$729,170	\$763,378	\$864,939	\$6,363,636	1.95%
19	Déneigement Nordic (2000) inc.	\$218,709	\$616,295	\$634,783	\$653,827	\$673,442	\$710,759	\$833,267	\$849,932	\$866,931	\$6,057,945	1.86%
20	Construction Bricon ltée	\$-	\$-	\$-	\$-	\$-	\$572,692	\$1,763,134	\$1,798,397	\$1,834,365	\$5,968,588	1.83%
21	Consortium Transport Rosemont - Gravières de Beauce	\$1,511,183	\$1,556,519	\$1,603,214	\$1,231,898	\$-	\$-	\$-	\$-	\$-	\$5,902,814	1.81%
22	9166-6222 Québec inc.	\$-	\$241,331	\$738,546	\$760,703	\$783,524	\$807,030	\$814,131	\$795,937	\$795,937	\$5,737,139	1.76%
23	Roxboro Excavation inc.	\$455,498	\$464,126	\$471,142	\$476,204	\$1,131,565	\$650,991	\$650,991	\$650,991	\$650,991	\$6,502,499	1.72%
24	Les Entreprises T.G.R. inc. ^[a]	\$403,800	\$226,593	\$596,298	\$627,596	\$678,661	\$678,661	\$678,661	\$678,661	\$420,770	\$4,989,701	1.53%
25	P.E.D. Rainville Équipement inc.	\$458,381	\$284,196	\$-	\$196,888	\$786,325	\$786,325	\$786,325	\$786,325	\$786,325	\$4,871,090	1.49%
26	Catalogna et Frères ltée	\$756,562	\$696,768	\$379,498	\$464,745	\$318,899	\$650,491	\$773,236	\$666,817	\$-	\$4,607,016	1.41%
27	Déneigement Fontaine Gadbois inc.	\$263,579	\$742,733	\$765,015	\$787,966	\$811,605	\$300,393	\$-	\$-	\$192,698	\$4,093,989	1.25%
28	Les Entrepreneurs Chomedey inc.	\$872,479	\$445,221	\$413,363	\$374,602	\$385,840	\$381,635	\$363,212	\$370,477	\$377,886	\$3,984,715	1.22%
29	Entreprises Ste-Croix inc.	\$-	\$-	\$287,914	\$733,974	\$733,974	\$733,974	\$733,974	\$440,384	\$-	\$3,664,194	1.12%
30	Les Entreprises PM Pavages inc.	\$-	\$167,347	\$324,381	\$1,127,563	\$665,671	\$582,829	\$109,835	\$326,600	\$319,915	\$3,624,141	1.11%
31	Les Transports Marco D'Intino inc. ^[a]	\$-	\$-	\$-	\$244,755	\$644,093	\$644,093	\$644,093	\$644,093	\$399,338	\$3,220,465	0.99%
32	S.E.R. 9197-4220 Québec inc.	\$-	\$-	\$-	\$-	\$-	\$-	\$416,234	\$1,295,815	\$1,295,815	\$3,007,864	0.92%
33	Les Pavages D'Amour inc.	\$276,777	\$276,777	\$214,562	\$218,852	\$303,856	\$303,856	\$303,856	\$303,856	\$303,856	\$2,506,248	0.77%
34	Pépinère et Paysagiste Marina inc.	\$-	\$160,414	\$308,352	\$258,882	\$231,173	\$464,416	\$503,579	\$345,109	\$-	\$2,271,925	0.70%
35	Transport H. Cordeau inc. ^[a]	\$1,215,379	\$821,433	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$2,036,812	0.62%
36	Marobi inc.	\$479,214	\$490,324	\$331,942	\$-	\$-	\$624,427	\$-	\$-	\$-	\$1,925,907	0.59%
37	Entreprises Réjean Desgranges inc.	\$-	\$-	\$-	\$-	\$-	\$-	\$259,073	\$792,305	\$792,305	\$1,843,683	0.57%
38	Signalisation Como inc.	\$544,910	\$557,530	\$377,449	\$-	\$-	\$-	\$-	\$-	\$-	\$1,479,889	0.45%
39	Équipements Kanda ltée ^[a]	\$-	\$170,717	\$449,256	\$278,539	\$-	\$-	\$-	\$-	\$-	\$898,512	0.28%
40	Transport DM Choquette inc. ^[a]	\$-	\$-	\$-	\$-	\$-	\$-	\$705,743	\$-	\$-	\$705,743	0.22%
41	Les entreprises G-L	\$-	\$-	\$-	\$-	\$-	\$69,057	\$66,725	\$272,942	\$186,080	\$594,804	0.18%
42	Simard-Beaudry inc.	\$410,539	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$410,539	0.13%
43	Ventes d'équipements et encanteurs Kanda ltée ^[a]	\$395,511	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$395,511	0.12%
44	9078-5940 Québec inc.	\$384,853	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$384,853	0.12%
45	Groupe TMD inc. (9150-2732 Québec inc.) ^[a]	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$326,529	\$326,529	0.10%
46	Paysagiste Saro inc.	\$9,609	\$22,420	\$8,994	\$20,986	\$11,252	\$39,136	\$43,237	\$23,604	\$39,340	\$218,578	0.07%
47	Entreprises Vannicola 97 inc.	\$-	\$-	\$-	\$-	\$-	\$-	\$25,814	\$80,865	\$66,713	\$173,392	0.05%
48	R. Racicot ltée	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$166,714	\$166,714	0.05%
49	Paysagiste ML (1999) inc.	\$-	\$-	\$-	\$22,175	\$24,392	\$26,830	\$22,665	\$24,927	\$27,424	\$148,413	0.05%
50	Carlo Caccavelli Paysagement	\$-	\$-	\$-	\$-	\$-	\$-	\$11,548	\$17,522	\$34,263	\$63,333	0.02%
51	J.R.G. Déneigement et Excavation enr.	\$-	\$-	\$-	\$-	\$7,731	\$25,767	\$18,205	\$-	\$-	\$51,703	0.02%
52	Les Contracteurs P.G. inc.	\$-	\$-	\$-	\$-	\$7,431	\$24,770	\$17,501	\$-	\$-	\$49,702	0.02%
53	Les Excavations K. McElligott inc.	\$-	\$-	\$-	\$-	\$5,682	\$18,941	\$13,382	\$-	\$-	\$38,005	0.01%
54	Paradis Vert	\$11,382	\$11,831	\$12,296	\$-	\$-	\$-	\$-	\$-	\$-	\$35,509	0.00%
	Total	\$20,685,080	\$26,610,569	\$35,571,246	\$38,270,043	\$39,651,985	\$40,094,883	\$39,798,382	\$42,357,844	\$43,257,967	\$326,297,999	100.00%

[a], [b], [c], [d] Affiliated companies.

6.2. Snow Clearing Equipment Rental Contracts (With or Without Operators) in Force from 2005 to 2013, by Company

**Table B – Amounts of the Contracts in Force from 2005 to 2013, by Company
Snow Clearing Equipment Rentals (With or Without Operators)**

Rank	Company	Contract amounts									Total	%
		2005	2006	2007	2008	2009	2010	2011	2012	2013		
1	Strongco Équipement inc.	\$1,167,616	\$1,167,616	\$1,410,843	\$1,798,321	\$1,328,475	\$630,704	\$630,704	\$545,020	\$282,925	\$8,962,224	13.94%
2	Nortrax Québec inc.	\$-	\$-	\$-	\$-	\$548,934	\$1,801,693	\$2,008,030	\$2,065,394	\$2,216,388	\$8,640,439	13.44%
3	Environnement Routier NRJ inc.	\$-	\$511,294	\$452,514	\$653,161	\$653,161	\$653,161	\$653,161	\$200,647	\$-	\$3,777,099	5.88%
4	Entreprise Vaillant (1994) inc.	\$263,581	\$276,581	\$319,831	\$398,295	\$335,777	\$353,970	\$505,594	\$385,403	\$387,631	\$3,226,663	5.02%
5	Longus Équipements inc.	\$18,000	\$42,343	\$200,833	\$265,845	\$383,219	\$628,583	\$600,086	\$378,824	\$396,384	\$2,914,117	4.53%
6	Les Entreprises Canbec Construction inc.	\$225,092	\$225,092	\$225,092	\$302,020	\$342,357	\$344,107	\$346,697	\$348,957	\$326,686	\$2,686,100	4.18%
7	Équipements Ontrac Québec inc.	\$832,621	\$852,212	\$606,111	\$195,307	\$-	\$-	\$-	\$-	\$-	\$2,486,251	3.87%
8	Les pavages Dorval inc.	\$215,603	\$215,603	\$215,603	\$245,817	\$280,382	\$280,382	\$280,382	\$280,382	\$280,382	\$2,294,536	3.57%
9	Excavation Mario Itée	\$198,483	\$186,532	\$150,677	\$192,923	\$266,385	\$266,385	\$266,385	\$266,385	\$266,385	\$2,060,540	3.21%
10	Nepcon inc.	\$165,118	\$165,118	\$165,118	\$189,363	\$218,413	\$218,413	\$218,413	\$218,413	\$218,413	\$1,776,782	2.77%
11	Excavation Anjou inc.	\$41,602	\$70,615	\$75,000	\$177,000	\$232,800	\$169,937	\$454,076	\$302,879	\$31,640	\$1,555,549	2.42%
12	Les Entrepreneurs Chomedey inc.	\$33,380	\$167,902	\$184,249	\$142,678	\$146,959	\$167,443	\$206,336	\$210,463	\$214,672	\$1,474,082	2.29%
13	J.A. Larue inc.	\$-	\$20,222	\$53,975	\$39,806	\$383,224	\$91,147	\$191,413	\$193,150	\$65,363	\$1,038,300	1.62%
14	Location S. Carrier inc.	\$66,674	\$66,674	\$66,674	\$65,787	\$65,787	\$74,128	\$74,128	\$118,925	\$378,696	\$977,473	1.52%
15	R. Benoît Construction inc.	\$66,571	\$66,571	\$66,571	\$83,418	\$111,633	\$111,633	\$111,633	\$111,633	\$111,633	\$841,296	1.31%
16	Déneigement Fontaine Gadbois inc.	\$-	\$-	\$-	\$-	\$-	\$-	\$23,924	\$242,846	\$550,077	\$816,847	1.27%
17	Transport Rosemont inc.	\$-	\$-	\$-	\$-	\$76,760	\$191,899	\$191,899	\$244,646	\$96,522	\$801,726	1.25%
18	C.M.S. Entrepreneurs Généraux inc.	\$10,944	\$-	\$-	\$-	\$26,118	\$78,355	\$59,255	\$292,270	\$288,551	\$755,493	1.18%
19	J.M. Bussièrès & Fils Itée	\$28,153	\$61,581	\$144,968	\$236,992	\$67,200	\$28,950	\$57,900	\$18,696	\$96,038	\$740,478	1.15%
20	Hewitt Équipement Itée	\$22,852	\$38,865	\$-	\$28,937	\$86,810	\$86,810	\$106,563	\$163,782	\$167,078	\$701,697	1.09%
21	9042-0845 Québec inc.	\$66,715	\$66,715	\$66,715	\$75,263	\$84,092	\$84,092	\$84,092	\$84,092	\$84,092	\$695,868	1.08%
22	Magasin Jasmin inc.	\$25,881	\$25,881	\$25,881	\$50,478	\$103,563	\$103,563	\$103,563	\$103,563	\$103,563	\$645,936	1.00%
23	Construction Beaudin et Courville inc.	\$54,291	\$80,842	\$80,842	\$89,309	\$62,759	\$62,759	\$66,145	\$66,145	\$66,145	\$629,237	0.98%
24	Transport DM Choquette inc.	\$-	\$-	\$-	\$-	\$-	\$-	\$67,639	\$273,051	\$273,051	\$613,741	0.95%
25	Gestion Gérard Boutin inc.	\$56,744	\$56,744	\$56,744	\$64,704	\$73,820	\$73,820	\$73,820	\$73,820	\$73,820	\$604,036	0.94%
26	Lavaltrac Équipement inc.	\$-	\$-	\$3,694	\$63,765	\$125,228	\$146,741	\$116,363	\$71,232	\$71,232	\$598,255	0.93%
27	Construction J. Richard Gauthier inc.	\$70,844	\$102,545	\$47,068	\$50,285	\$49,947	\$49,947	\$49,947	\$49,947	\$81,508	\$552,038	0.86%
28	R.P.M. Tech inc.	\$-	\$-	\$-	\$-	\$49,846	\$124,614	\$124,614	\$124,614	\$124,614	\$548,302	0.85%
29	Construction Gamier Itée	\$95,444	\$83,493	\$47,638	\$50,543	\$49,383	\$49,383	\$49,383	\$49,383	\$49,383	\$524,033	0.82%
30	Ramcor Construction inc.	\$-	\$-	\$-	\$-	\$-	\$95,718	\$228,989	\$125,353	\$58,467	\$508,527	0.79%
31	Les Équipements Benco Itée	\$-	\$-	\$-	\$17,744	\$26,616	\$-	\$-	\$117,619	\$333,163	\$495,142	0.77%
32	Groupe TDM inc. (9150-2732 Québec inc.)	\$-	\$-	\$33,948	\$166,796	\$106,677	\$96,749	\$79,981	\$-	\$-	\$484,151	0.75%
33	Transport Camille Dionne (1991) inc.	\$17,409	\$-	\$-	\$-	\$32,057	\$32,057	\$60,764	\$114,604	\$193,228	\$450,119	0.70%
34	Pépière et Paysagiste Marina inc.	\$33,951	\$33,951	\$33,951	\$25,455	\$25,455	\$28,683	\$28,683	\$32,285	\$141,000	\$383,414	0.60%
35	GE-BER Transport inc.	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$13,659	\$364,357	\$378,016	0.59%
36	Les Entreprises Simac (2007) inc.	\$-	\$-	\$-	\$-	\$-	\$36,120	\$112,650	\$140,513	\$82,340	\$371,623	0.58%
37	Marina Matériaux et Équipements	\$-	\$-	\$-	\$81,973	\$54,932	\$56,682	\$67,054	\$61,532	\$39,261	\$361,434	0.56%
38	Équipements G. Gagnon inc.	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$165,997	\$165,997	\$331,994	0.52%
39	Transport D2000 inc.	\$-	\$-	\$37,604	\$37,604	\$37,604	\$17,608	\$53,317	\$80,712	\$62,776	\$327,225	0.51%
40	Les Excavations Gilbert Théoret inc.	\$-	\$-	\$7,998	\$61,225	\$67,725	\$20,317	\$62,216	\$54,038	\$-	\$273,519	0.43%
41	Lange Patenaude Équipement Itée	\$-	\$-	\$-	\$-	\$3,076	\$30,238	\$83,572	\$83,572	\$57,639	\$258,097	0.40%
42	Daniel Marcoux enr.	\$50,225	\$50,225	\$50,225	\$25,137	\$25,137	\$28,325	\$28,325	\$-	\$-	\$257,599	0.40%
43	S. Boudrias inc.	\$-	\$-	\$-	\$-	\$-	\$29,939	\$70,502	\$33,575	\$122,781	\$256,797	0.40%
	Subtotal (continued on next page)	\$3,827,794	\$4,635,217	\$4,830,367	\$5,875,951	\$6,532,311	\$7,345,055	\$8,598,198	\$8,508,021	\$8,923,881	\$59,076,795	

5.11. Snow Clearing Contracts Awarded from 2005 to 2013

Rank	Company	Contract amounts									Total	%
		2005	2006	2007	2008	2009	2010	2011	2012	2013		
44	Les Pavages J.M. Beaulieu inc.	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$66,805	\$182,901	\$249,706	0.39%
45	Pierre L. Transport enr.	\$8,050	\$8,050	\$8,050	\$50,753	\$50,753	\$57,188	\$57,188	\$-	\$-	\$240,032	0.37%
46	Niveleuse A.M.F.	\$-	\$-	\$-	\$25,217	\$25,217	\$28,415	\$28,415	\$31,457	\$88,899	\$227,620	0.36%
47	Francis Vanier	\$8,050	\$8,050	\$8,050	\$29,433	\$29,433	\$33,165	\$33,165	\$16,349	\$47,572	\$213,267	0.33%
48	Entreprises Joey Storto inc.	\$-	\$-	\$-	\$-	\$-	\$-	\$34,937	\$106,378	\$71,720	\$213,035	0.33%
49	9102-2731 Québec inc. (Groupe TMG)	\$-	\$-	\$-	\$-	\$-	\$-	\$34,026	\$103,600	\$69,843	\$207,469	0.32%
50	Excavation A.V. inc.	\$-	\$-	\$-	\$-	\$-	\$9,232	\$46,365	\$139,649	\$-	\$195,246	0.31%
51	Neigexpert	\$-	\$-	\$-	\$-	\$-	\$25,585	\$51,646	\$31,733	\$79,333	\$188,297	0.29%
52	Doncar Construction inc.	\$-	\$16,200	\$16,200	\$45,878	\$29,679	\$38,308	\$38,308	\$-	\$-	\$184,573	0.29%
53	Les Excavations DDC inc.	\$-	\$-	\$-	\$-	\$-	\$17,187	\$163,587	\$-	\$-	\$180,774	0.28%
54	Transport Gino Palladino (Les Toitures Italia inc.)	\$-	\$-	\$35,325	\$35,325	\$35,325	\$-	\$24,804	\$24,804	\$24,804	\$180,387	0.28%
55	J.L. Michon Transports inc.	\$-	\$-	\$-	\$-	\$-	\$-	\$28,026	\$85,332	\$57,529	\$170,887	0.27%
56	Entreprises Réjean Desgranges inc.	\$-	\$27,348	\$27,348	\$27,348	\$28,219	\$28,219	\$28,219	\$-	\$-	\$166,701	0.26%
57	Excavation Bouchard ltée	\$-	\$-	\$2,729	\$20,896	\$33,863	\$20,520	\$55,433	\$27,560	\$-	\$161,001	0.25%
58	Les Entreprises Johnny enr.	\$-	\$-	\$-	\$-	\$-	\$81,623	\$69,065	\$-	\$-	\$150,688	0.24%
59	Sylvain Bouchard inc.	\$-	\$-	\$-	\$-	\$33,863	\$10,158	\$39,179	\$56,470	\$-	\$139,670	0.22%
60	Transport Patrick Brisebois inc.	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$33,154	\$104,356	\$137,510	0.21%
61	Les Entreprises Pierre Ladouceur inc.	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$33,610	\$103,279	\$136,889	0.21%
62	Niveleuse DRB inc.	\$8,050	\$8,050	\$8,050	\$25,217	\$25,217	\$28,415	\$28,415	\$-	\$-	\$131,414	0.20%
63	2734-6584 Québec inc.	\$-	\$-	\$-	\$-	\$-	\$-	\$44,384	\$66,577	\$-	\$110,961	0.17%
64	Entreprise D.J. inc.	\$-	\$-	\$-	\$12,773	\$12,773	\$12,402	\$12,402	\$13,411	\$39,301	\$103,062	0.16%
65	Excavation R. Lécuyer et Fils inc.	\$-	\$-	\$-	\$-	\$-	\$26,368	\$29,788	\$33,140	\$13,467	\$102,763	0.16%
66	Jocexpress inc.	\$-	\$-	\$-	\$12,774	\$12,774	\$12,402	\$12,402	\$13,245	\$30,813	\$94,410	0.15%
67	Cubex inc.	\$-	\$45,295	\$23,641	\$20,317	\$-	\$-	\$-	\$-	\$-	\$89,253	0.14%
68	Benco MFG Industries	\$-	\$-	\$23,641	\$65,242	\$-	\$-	\$-	\$-	\$-	\$88,883	0.14%
69	Transport DC Barbeau inc.	\$-	\$-	\$-	\$12,774	\$12,774	\$12,402	\$12,402	\$13,638	\$24,246	\$88,236	0.14%
70	CEGER	\$-	\$31,588	\$47,380	\$-	\$-	\$-	\$-	\$-	\$-	\$78,968	0.12%
71	E2R inc.	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$25,828	\$52,438	\$78,266	0.12%
72	Déneigement Métropolitain inc.	\$-	\$-	\$-	\$-	\$-	\$-	\$11,666	\$61,811	\$-	\$73,477	0.11%
73	Antonio De Luca	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$23,998	\$48,723	\$72,721	0.11%
74	Les Entreprises S. Loiseau inc.	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$14,100	\$53,068	\$67,168	0.10%
75	Les entreprises DF Ouimet inc.	\$-	\$-	\$-	\$-	\$-	\$-	\$24,516	\$36,774	\$-	\$61,290	0.10%
76	Equipements JKL inc.	\$-	\$35,028	\$23,668	\$-	\$-	\$-	\$-	\$-	\$-	\$58,696	0.09%
77	3087-8730 Québec inc.	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$4,883	\$52,084	\$56,967	0.09%
78	Transport S. Bernard inc.	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$4,553	\$48,565	\$53,118	0.08%
79	Paysagiste Roche inc.	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$25,294	\$25,294	\$50,588	0.08%
80	Equipements Charbonneau (9019-1461 Québec inc.)	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$4,228	\$45,106	\$49,334	0.08%
81	Excavation J. Bourassa enr.	\$22,890	\$24,613	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$47,503	0.07%
82	Meloche inc.	\$-	\$-	\$-	\$-	\$-	\$-	\$47,464	\$-	\$-	\$47,464	0.07%
83	Excavations Bergevin & Laberge inc.	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$12,417	\$33,372	\$45,789	0.07%
84	Les Excavations K. McElligott inc.	\$-	\$-	\$-	\$42,906	\$-	\$-	\$-	\$-	\$-	\$42,906	0.07%
85	Les Entreprises Forget Pilon inc.	\$-	\$-	\$-	\$-	\$33,829	\$-	\$-	\$-	\$-	\$33,829	0.05%
86	2742-2047 Québec inc.	\$-	\$-	\$-	\$-	\$-	\$-	\$11,301	\$16,951	\$-	\$28,252	0.04%
87	Les Excavations R. Malenfant (1991) inc.	\$-	\$-	\$-	\$-	\$-	\$-	\$10,936	\$16,405	\$-	\$27,341	0.04%
88	Gervais Lemay	\$-	\$-	\$13,532	\$13,532	\$-	\$-	\$-	\$-	\$-	\$27,064	0.04%
89	Les Contracteurs P.G. inc.	\$-	\$-	\$-	\$16,742	\$-	\$-	\$-	\$-	\$-	\$16,742	0.03%
90	Équipement Fédéral	\$13,000	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$13,000	0.02%
91	L.R.J. Ranger inc.	\$-	\$-	\$-	\$12,765	\$-	\$-	\$-	\$-	\$-	\$12,765	0.02%
92	Entreprises Daniel Robert inc.	\$-	\$-	\$-	\$-	\$6,953	\$-	\$-	\$-	\$-	\$6,953	0.01%
	Subtotal	\$60,040	\$204,222	\$237,614	\$469,892	\$370,672	\$441,589	\$978,039	\$1,144,154	\$1,296,713	\$5,202,935	
	Total	\$3,887,834	\$4,839,439	\$5,067,981	\$6,345,843	\$6,902,983	\$7,786,644	\$9,576,237	\$9,652,175	\$10,220,594	64,279,730	100.00%

6.3. Snow Loading Contracts in Force from 2005 to 2013, by Company

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

Rank	Company	Contract amounts									Total	%
		2005	2006	2007	2008	2009	2010	2011	2012	2013		
1	Transvrac Montréal - Laval inc.	\$1,014,575	\$1,361,920	\$1,415,230	\$2,392,162	\$3,625,957	\$3,597,194	\$5,839,861	\$5,974,830	\$8,613,688	\$33,835,417	32.76%
2	Various transport operators ^[a]	\$737,535	\$141,812	\$1,212,184	\$1,767,608	\$1,014,266	\$441,764	\$1,001,700	\$713,040	\$-	\$7,029,909	6.81%
3	Transporteur en vrac St-Hyacinthe inc.	\$336,736	\$779,575	\$830,100	\$855,003	\$865,738	\$817,139	\$843,639	\$675,846	\$687,229	\$6,691,005	6.48%
4	Various transport operators ^[b]	\$1,053,833	\$548,804	\$1,849,331	\$2,105,143	\$-	\$-	\$-	\$-	\$-	\$5,557,111	5.38%
5	Gestion Yvan Pion inc.	\$123,149	\$742,500	\$634,200	\$189,781	\$592,346	\$610,116	\$614,811	\$604,798	\$622,942	\$4,734,643	4.59%
6	Les Entreprises de transport Charco ltée	\$362,782	\$730,776	\$657,244	\$486,595	\$501,193	\$613,939	\$741,707	\$306,833	\$312,970	\$4,714,039	4.57%
7	Les Entreprises T.G.R. inc.	\$165,463	\$992,778	\$992,778	\$992,778	\$827,315	\$-	\$-	\$-	\$-	\$3,971,112	3.85%
8	DF Transport en vrac SNC	\$243,577	\$270,461	\$294,788	\$303,632	\$605,299	\$913,091	\$621,395	\$289,879	\$289,879	\$3,832,001	3.71%
9	J.L. Michon Transports inc.	\$-	\$83,019	\$210,038	\$371,853	\$608,031	\$631,911	\$490,667	\$542,905	\$556,478	\$3,494,902	3.38%
10	Transport Mont-Blanc inc.	\$480,679	\$565,123	\$487,662	\$448,765	\$115,377	\$341,186	\$348,010	\$-	\$-	\$2,786,802	2.70%
11	Various transport operators ^[c]	\$-	\$-	\$298,537	\$1,618,682	\$102,128	\$383,583	\$366,000	\$-	\$-	\$2,768,930	2.68%
12	Gestion Gérard Boutin inc.	\$-	\$75,408	\$190,781	\$236,504	\$80,000	\$230,351	\$270,896	\$370,176	\$1,134,134	\$2,588,250	2.51%
13	Déneigement Fontaine Gadbois inc.	\$-	\$-	\$-	\$-	\$142,222	\$853,335	\$853,335	\$711,113	\$-	\$2,560,005	2.48%
14	Terrapro Construction inc.	\$-	\$37,958	\$228,890	\$235,756	\$535,387	\$841,079	\$512,022	\$-	\$-	\$2,391,092	2.32%
15	Noël & Fils 9124-4277 Québec inc.	\$36,811	\$270,128	\$217,768	\$224,301	\$136,974	\$230,351	\$336,546	\$310,135	\$317,889	\$2,080,903	2.01%
16	BDMP Transport en vrac SENC	\$229,645	\$330,073	\$337,524	\$335,392	\$345,453	\$295,038	\$-	\$-	\$-	\$1,873,125	1.81%
17	Maçonnerie Martin Santerre	\$-	\$-	\$-	\$-	\$72,824	\$440,219	\$459,442	\$476,621	\$409,512	\$1,858,618	1.80%
18	Various transport operators ^[d]	\$226,502	\$216,510	\$219,701	\$355,523	\$272,013	\$199,500	\$-	\$-	\$-	\$1,489,749	1.44%
19	Service de location Ste-Croix inc.	\$41,050	\$247,500	\$211,400	\$341,951	\$341,951	\$284,977	\$-	\$-	\$-	\$1,468,829	1.42%
20	Transport 1941 Québec inc.	\$-	\$-	\$-	\$-	\$-	\$115,341	\$355,097	\$362,199	\$369,443	\$1,202,080	1.16%
21	Michel Trussart	\$181,360	\$230,484	\$235,996	\$241,646	\$207,042	\$-	\$-	\$-	\$-	\$1,096,528	1.06%
22	Excavation Constant inc.	\$34,378	\$217,299	\$222,299	\$227,606	\$191,100	\$-	\$-	\$-	\$-	\$892,682	0.86%
23	Martin Lefebvre Transport inc.	\$-	\$-	\$-	\$-	\$-	\$44,399	\$270,216	\$278,323	\$286,673	\$879,611	0.85%
24	9149-9418 Québec inc.	\$40,700	\$245,419	\$252,782	\$215,891	\$-	\$-	\$-	\$-	\$-	\$754,792	0.73%
25	Transport Reynald Boulay et fils inc.	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$106,312	\$640,985	\$747,297	0.72%
26	4370-503 Canada inc.	\$-	\$-	\$-	\$-	\$-	\$67,087	\$206,540	\$210,671	\$214,885	\$699,183	0.68%
27	9182-9960 Québec inc.	\$-	\$-	\$31,207	\$184,510	\$190,045	\$161,645	\$-	\$-	\$-	\$567,407	0.55%
28	Transport MJM	\$274,765	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$274,765	0.27%
29	Transport Philippe Desgranges	\$183,772	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$183,772	0.18%
30	Entreprises Michel Lampron	\$126,387	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$126,387	0.12%
31	NMP Golf Construction inc.	\$125,580	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$125,580	0.12%
	Total	\$6,019,279	\$8,087,547	\$11,030,440	\$14,131,082	\$11,372,661	\$12,113,245	\$14,131,884	\$11,933,681	\$14,456,707	\$103,276,526	100.00%

[a] According to the information obtained from the Verdun borough, these expenses were approved for several snow loading companies following the conclusion of private contracts during the period from 2005 to 2012 inclusively.

[b] According to the information obtained from the Saint-Laurent borough, these expenses were approved for several snow loading companies following the conclusion of private contracts during the period from 2005 to 2008 inclusively.

[c] According to the information obtained from the Montréal-Nord borough, these expenses were approved for several snow loading companies following the conclusion of private contracts during the period from 2007 to 2011 inclusively.

[d] According to the information obtained from the Saint-Léonard borough, these expenses were approved for several snow loading companies following the conclusion of private contracts during the period from 2005 to 2010 inclusively.

6.4. Snow Disposal Contracts in Force from 2005 to 2013, by Company

Table D – Amounts of the Contracts in Force from 2005 to 2013, by Company – Snow Disposal Operations

Rank	Company	Contract amounts									Total	%
		2005	2006	2007	2008	2009	2010	2011	2012	2013		
1	Gaston Contant inc.	\$947,117	\$1,077,777	\$1,337,951	\$1,833,055	\$1,642,321	\$1,846,187	\$1,713,165	\$2,519,990	\$3,258,180	\$16,175,743	47.37%
2	Environnement Routier NRJ inc.	\$-	\$-	\$-	\$-	\$548,573	\$1,371,431	\$1,371,431	\$1,371,431	\$1,371,431	\$6,034,297	17.67%
3	Serge Paquette Excavation	\$1,103,090	\$1,103,090	\$1,103,090	\$1,103,090	\$661,854	\$-	\$-	\$-	\$-	\$5,074,214	14.86%
4	Construction DJL inc.	\$46,227	\$278,511	\$285,473	\$292,610	\$301,041	\$314,148	\$322,001	\$330,051	\$280,749	\$2,450,811	7.18%
5	Construction J. Richard Gauthier inc.	\$-	\$-	\$149,671	\$640,460	\$320,069	\$71,382	\$74,051	\$164,043	\$127,264	\$1,546,940	4.53%
6	Y & R Paquette inc.	\$-	\$-	\$53,510	\$322,660	\$332,339	\$283,837	\$-	\$-	\$-	\$992,346	2.91%
7	John Meunier inc.	\$201,306	\$114,187	\$114,187	\$-	\$-	\$-	\$-	\$-	\$-	\$429,680	1.26%
8	Aquatech, Société de gestion de l'eau inc.	\$98,691	\$101,093	\$103,550	\$106,117	\$-	\$-	\$-	\$-	\$-	\$409,451	1.20%
9	Simo Management inc.	\$-	\$-	\$-	\$-	\$32,237	\$89,330	\$91,207	\$93,255	\$95,589	\$401,618	1.18%
10	Entreprise Vaillant (1994) inc.	\$-	\$-	\$-	\$-	\$49,852	\$99,707	\$41,929	\$-	\$-	\$191,488	0.56%
11	Les Pavages Chenails inc.	\$-	\$-	\$-	\$185,013	\$-	\$-	\$-	\$-	\$-	\$185,013	0.54%
12	Transport Camille Dionne (1991) inc.	\$19,075	\$-	\$-	\$10,380	\$32,437	\$32,437	\$32,437	\$32,437	\$22,057	\$181,260	0.53%
13	Catalogna et Frères Itée	\$-	\$-	\$-	\$45,240	\$-	\$-	\$-	\$-	\$-	\$45,240	0.13%
14	Groupe Imog inc.	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$27,970	\$27,970	0.08%
	Total	\$2,415,506	\$2,674,658	\$3,147,432	\$4,538,625	\$3,920,723	\$4,108,459	\$3,646,221	\$4,511,207	\$5,183,240	\$34,146,071	100.00%

6.5. Distribution of the 37 Companies that were Awarded Contracts by at Least One Borough on a Regular Basis (yearly) from 2005 to 2013

Table E – Distribution of the 37 Companies in the Boroughs by Sector of Activity

Borough		Company
Snow clearing		
Ahuntsic-Cartierville	1	A & O Gendron inc.
	2	Transport Gilbert Hamelin inc.
	3	Transport Rosemont inc. ^[a]
Anjou	4	Les Entrepreneurs Bucaro inc. ^[b]
CDN-NDG	5	C.M.S. Entrepreneurs Généraux inc.
Lachine	6	Paysagiste Saro inc.
Outremont	7	Environnement Routier NRJ inc.
Pierrefonds-Roxboro	8	Les Pavages D'Amour inc.
Le Plateau-Mont-Royal	9	Les Entreprises Michaudville inc.
	10	Concorbec inc.
RDP-PAT	11	Déneigement Nordic (2000) inc.
	12	Les Entrepreneurs Chomedey inc. ^[c]
Rosemont-La Petite-Patrie		Les Entrepreneurs Bucaro inc. ^[b]
		Transport Rosemont inc. ^[a]
Saint-Laurent	13	Les Entreprises Canbec Construction inc. ^[d]
	14	Roxboro Excavation inc.
Saint-Léonard	15	Les Excavations Payette Itée
Snow clearing equipment rentals (with or without operators)		
Anjou	16	Excavation Anjou inc.
	17	J.M. Bussières & Fils Itée
LaSalle	18	Francis Vanier
	19	Location S. Carrier inc.
RDP-PAT	20	Pépinière et Paysagiste Marina inc.
		Les Entrepreneurs Chomedey inc. ^[c]
Saint-Laurent	21	9042-0845 Québec inc.
	22	Construction Garnier Itée
	23	Construction J. Richard Gauthier inc.
	24	Entreprise Vaillant (1994) inc. ^[e]
	25	Excavation Mario Itée
	26	Gestion Gérard Boutin inc.
		Les Entreprises Canbec Construction inc. ^[d]
	27	Les pavages Dorval inc.
	28	Magasin Jasmin inc.
	29	Nepcon inc.
Verdun	30	R. Benoit Construction inc.
	31	Construction Beaudin et Courville inc.
		Entreprise Vaillant (1994) inc. ^[e]
Snow loading		
Ahuntsic-Cartierville	32	Gestion Yvan Pion inc.
LaSalle	33	Transvrac Montréal - Laval inc.
Ville-Marie	34	DF Transport en vrac SNC
Villeray-Saint-Michel-Parc-Extension	35	Transporteur en vrac St-Hyacinthe inc.
Snow disposal operations		
Anjou	36	Gaston Contant inc. ^[e]
Le Sud-Ouest	37	Construction DJL inc.
Company total	37	

[a], [b], [c], [d], [e] These companies are present in several sectors or appear more than once in the sector.

6.6. Contracts Covering All Snow Clearing Operations in Force from 2005 to 2013, by Borough

**Table F – Amounts of the Contracts in Force from 2005 to 2013, by Borough
All Snow Clearing Operations**

Borough	Contract amounts									Total
	2005	2006	2007	2008	2009	2010	2011	2012	2013	
Ahuntsic-Cartierville	\$2,013,862	\$4,068,888	\$4,865,551	\$5,189,860	\$5,702,609	\$5,809,953	\$5,501,551	\$5,659,186	\$5,843,743	\$44,655,203
Anjou	\$704,467	\$1,055,299	\$1,227,534	\$2,731,292	\$1,792,111	\$1,800,539	\$1,284,758	\$2,521,040	\$4,055,548	\$17,172,588
CDN-NDG	\$3,227,357	\$3,603,438	\$3,456,529	\$3,646,387	\$3,630,188	\$4,141,224	\$4,468,399	\$4,855,691	\$5,104,996	\$36,134,209
L'Île-Bizard- Sainte-Geneviève	\$11,382	\$11,831	\$12,296	\$22,175	\$24,392	\$54,767	\$51,032	\$24,927	\$27,424	\$240,226
Lachine	\$789,947	\$935,079	\$846,515	\$1,863,658	\$1,316,885	\$2,172,588	\$2,424,903	\$2,122,473	\$1,718,790	\$14,190,838
LaSalle	\$2,334,018	\$2,673,302	\$2,740,144	\$2,927,095	\$3,438,561	\$3,287,974	\$4,236,169	\$3,540,145	\$4,820,265	\$29,997,673
MHM	\$1,396,615	\$2,638,123	\$3,969,588	\$4,070,319	\$3,753,028	\$4,678,063	\$4,739,537	\$5,745,276	\$5,381,326	\$36,371,875
Montréal-Nord	\$1,511,183	\$1,556,519	\$1,901,751	\$3,244,356	\$1,676,599	\$1,958,054	\$1,940,471	\$1,601,794	\$2,193,810	\$17,584,537
Outremont	\$1,605,612	\$1,605,612	\$1,997,564	\$1,997,564	\$1,997,564	\$1,997,564	\$1,997,564	\$1,993,218	\$1,993,218	\$17,185,480
Pierrefonds-Roxboro	\$276,777	\$276,777	\$265,745	\$439,283	\$720,309	\$726,464	\$906,116	\$1,065,179	\$1,053,800	\$5,730,450
Le Plateau-Mont-Royal	\$1,553,356	\$2,161,584	\$2,943,883	\$3,027,476	\$3,135,131	\$3,425,869	\$4,058,513	\$4,453,596	\$3,857,425	\$28,616,833
RDP-PAT	\$3,821,920	\$5,646,504	\$5,393,854	\$5,274,197	\$5,258,169	\$5,660,970	\$6,303,104	\$6,429,167	\$6,557,752	\$50,345,637
Rosemont-La Petite-Patrie	\$1,151,570	\$3,769,619	\$3,875,415	\$4,197,199	\$4,361,914	\$4,554,526	\$4,554,610	\$4,561,784	\$5,768,585	\$36,795,222
Saint-Laurent	\$3,645,933	\$3,057,952	\$4,313,793	\$5,594,248	\$5,731,125	\$4,280,553	\$4,876,433	\$4,364,784	\$6,011,538	\$41,876,359
Saint-Léonard	\$2,932,650	\$3,284,672	\$4,252,859	\$5,368,672	\$5,050,891	\$5,147,322	\$5,100,545	\$5,122,339	\$4,452,680	\$40,712,630
Le Sud-Ouest	\$1,045,343	\$1,885,646	\$2,902,774	\$2,967,262	\$3,035,941	\$3,097,006	\$3,238,905	\$3,537,094	\$3,473,046	\$25,183,017
Verdun	\$953,643	\$413,542	\$1,532,230	\$2,118,109	\$1,371,145	\$743,322	\$1,448,159	\$1,435,520	\$1,408,802	\$11,424,472
Ville-Marie	\$3,722,759	\$1,820,609	\$4,349,945	\$4,525,296	\$5,584,498	\$6,126,831	\$5,659,121	\$5,342,348	\$5,252,411	\$42,383,818
Villeray-Saint-Michel- Parc-Extension	\$309,305	\$1,747,217	\$3,969,129	\$4,081,145	\$4,267,292	\$4,439,642	\$4,362,834	\$4,079,346	\$4,143,349	\$31,399,259
Total	\$33,007,699	\$42,212,213	\$54,817,099	\$63,285,593	\$61,848,352	\$64,103,231	\$67,152,724	\$68,454,907	\$73,118,508	\$528,000,326

6.7. Snow Clearing Contracts in Force from 2005 to 2013, by Borough

Table G – Amounts of the Contracts in Force from 2005 to 2013, by Borough – Snow Clearing

Borough	Contract amounts									Total
	2005	2006	2007	2008	2009	2010	2011	2012	2013	
Ahuntsic-Cartierville	\$1,529,595	\$2,716,908	\$3,637,014	\$4,298,253	\$4,383,344	\$4,431,383	\$4,312,126	\$4,434,204	\$4,737,324	\$34,480,151
Anjou	\$66,719	\$352,050	\$471,393	\$1,570,492	\$727,111	\$828,589	\$471,516	\$804,300	\$932,055	\$6,224,225
CDN-NDG	\$2,849,847	\$2,946,268	\$2,876,548	\$3,077,571	\$3,169,898	\$3,292,806	\$3,446,015	\$3,582,109	\$4,013,049	\$29,254,111
L'Île-Bizard- Sainte-Genève	\$11,382	\$11,831	\$12,296	\$22,175	\$24,392	\$26,830	\$22,665	\$24,927	\$27,424	\$183,922
Lachine	\$766,171	\$879,602	\$696,844	\$744,613	\$582,168	\$1,223,521	\$1,406,502	\$1,033,917	\$140,316 ^[a]	\$7,473,654
LaSalle	Internally									\$-
MHM	\$877,425	\$1,785,080	\$2,728,923	\$2,810,790	\$2,895,114	\$2,981,967	\$2,204,553	\$3,682,387	\$3,817,470	\$23,783,709
Montréal-Nord	\$1,511,183	\$1,556,519	\$1,603,214	\$1,625,674	\$1,574,471	\$1,574,471	\$1,574,471	\$1,574,471	\$1,574,471	\$14,168,945
Outremont	\$1,605,612	\$1,605,612	\$1,997,564	\$1,997,564	\$1,997,564	\$1,997,564	\$1,997,564	\$1,993,218	\$1,993,218	\$17,185,480
Pierrefonds-Roxboro	\$276,777	\$276,777	\$214,562	\$218,852	\$303,856	\$303,856	\$303,856	\$303,856	\$303,856	\$2,506,248
Le Plateau-Mont-Royal	\$896,440	\$1,271,937	\$1,969,592	\$2,028,680	\$2,089,541	\$2,152,227	\$2,231,676	\$2,548,246	\$2,640,889	\$17,829,228
RDP-PAT	\$2,211,282	\$3,883,611	\$3,905,002	\$3,993,113	\$4,112,907	\$4,284,388	\$4,746,937	\$4,841,877	\$4,938,715	\$36,917,832
Rosemont-La Petite-Patrie	\$770,953	\$2,149,302	\$2,149,302	\$2,149,302	\$2,149,302	\$2,149,302	\$2,149,302	\$2,547,195	\$3,639,023	\$19,852,983
Saint-Laurent	\$1,023,480	\$1,049,147	\$1,073,714	\$1,096,853	\$2,541,093	\$1,421,250	\$1,421,250	\$1,421,250	\$1,421,250	\$12,469,287
Saint-Léonard	\$2,621,363	\$2,883,986	\$3,312,485	\$3,450,482	\$3,675,633	\$3,675,633	\$3,675,633	\$3,675,633	\$3,251,122	\$30,221,970
Le Sud-Ouest	\$526,690	\$1,009,867	\$2,009,521	\$2,055,915	\$2,091,260	\$2,127,676	\$2,242,499	\$2,515,459	\$2,539,852	\$17,118,739
Verdun	Internally									\$-
Ville-Marie	\$3,140,161	\$1,170,692	\$3,665,127	\$3,784,123	\$3,888,373	\$4,074,082	\$4,124,383	\$4,217,075	\$4,130,213	\$32,194,229
Villeray-Saint-Michel- Parc-Extension	\$-	\$1,061,380	\$3,248,145	\$3,345,591	\$3,445,958	\$3,549,338	\$3,467,434	\$3,157,720	\$3,157,720	\$24,433,286
Total	\$20,685,080	\$26,610,569	\$35,571,246	\$38,270,043	\$39,651,985	\$40,094,883	\$39,798,382	\$42,357,844	\$43,257,967	\$326,297,999

^[a] Decision-making summaries are missing; the borough was unable to provide them.

6.8. Snow Clearing Equipment Rental Contracts (With or Without Operators) in Force from 2005 to 2013, by Borough

**Table H – Amounts of the Contracts in Force from 2005 to 2013, by Borough
Snow Clearing Equipment Rentals (With or Without Operators)**

Borough	Contract amounts									Total
	2005	2006	2007	2008	2009	2010	2011	2012	2013	
Ahuntsic-Cartierville	\$320,068	\$361,980	\$382,937	\$359,875	\$384,968	\$483,477	\$574,614	\$620,184	\$483,477	\$3,971,580
Anjou	\$143,556	\$243,594	\$300,000	\$422,800	\$300,000	\$170,950	\$483,609	\$467,842	\$633,485	\$3,165,836
CDN-NDG	\$147,865	\$327,097	\$242,457	\$233,424	\$114,837	\$373,984	\$479,847	\$714,770	\$711,051	\$3,345,332
L'Île-Bizard- Sainte-Geneviève	\$-	\$-	\$-	\$-	\$-	\$27,937	\$28,367	\$-	\$-	\$56,304
Lachine	\$23,776	\$55,477	\$-	\$248,332	\$164,796	\$199,143	\$282,478	\$221,539	\$421,851	\$1,617,392
LaSalle	\$216,353	\$208,292	\$221,824	\$344,730	\$314,999	\$371,893	\$410,158	\$468,714	\$1,220,817	\$3,777,780
MHM	\$286,545	\$338,786	\$438,647	\$393,451	\$393,451	\$587,509	\$1,055,673	\$998,804	\$473,168	\$4,966,034
Montréal-Nord	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$27,323	\$510,112	\$537,435
Outremont	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-
Pierrefonds-Roxboro	\$-	\$-	\$51,183	\$220,431	\$416,453	\$422,608	\$602,260	\$698,773	\$501,868	\$2,913,576
Le Plateau-Mont-Royal	\$157,446	\$157,446	\$157,446	\$157,446	\$178,999	\$336,654	\$596,105	\$482,439	\$288,878	\$2,512,859
RDP-PAT	\$284,393	\$418,915	\$334,858	\$142,678	\$146,959	\$167,443	\$206,336	\$210,463	\$214,672	\$2,126,717
Rosemont-La Petite-Patrie	\$215,154	\$627,539	\$733,335	\$1,055,119	\$1,243,075	\$1,551,889	\$1,551,973	\$1,151,996	\$1,220,685	\$9,350,765
Saint-Laurent	\$1,268,623	\$1,244,721	\$1,173,011	\$1,373,248	\$1,644,973	\$1,644,973	\$1,644,973	\$1,644,973	\$1,644,973	\$13,284,468
Saint-Léonard	\$65,710	\$41,625	\$166,306	\$457,232	\$193,487	\$183,559	\$190,715	\$183,389	\$154,453	\$1,636,476
Le Sud-Ouest	\$149,485	\$149,485	\$149,485	\$149,485	\$172,674	\$214,963	\$214,963	\$214,963	\$214,963	\$1,630,466
Verdun	\$216,108	\$271,730	\$320,046	\$350,501	\$356,879	\$301,558	\$446,459	\$472,480	\$404,358	\$3,140,119
Ville-Marie	\$157,446	\$157,446	\$161,140	\$201,785	\$555,439	\$298,579	\$358,182	\$574,172	\$571,097	\$3,035,286
Villeray-Saint-Michel- Parc-Extension	\$235,306	\$235,306	\$235,306	\$235,306	\$320,994	\$449,525	\$449,525	\$499,351	\$550,686	\$3,211,305
Total	\$3,887,834	\$4,839,439	\$5,067,981	\$6,345,843	\$6,902,983	\$7,786,644	\$9,576,237	\$9,652,175	\$10,220,594	\$64,279,730

6.9. Snow Loading Contracts in Force from 2005 to 2013, by Borough

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

Borough	Contract amounts									Total
	2005	2006	2007	2008	2009	2010	2011	2012	2013	
Ahuntsic-Cartierville	\$164,199	\$990,000	\$845,600	\$531,732	\$934,297	\$895,093	\$614,811	\$604,798	\$622,942	\$6,203,472
Anjou	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$233,400	\$700,000	\$933,400
CDN-NDG	\$229,645	\$330,073	\$337,524	\$335,392	\$345,453	\$474,434	\$542,537	\$558,812	\$380,896	\$3,534,766
L'Île-Bizard- Sainte-Geneviève	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-
Lachine	\$-	\$-	\$-	\$-	\$200,000	\$578,835	\$619,943	\$601,221	\$749,288	\$2,749,287
LaSalle	\$1,014,575	\$1,361,920	\$1,415,230	\$1,479,275	\$1,913,135	\$1,544,650	\$2,454,580	\$1,700,000	\$2,228,017	\$15,111,382
MHM	\$232,645	\$514,257	\$802,018	\$866,078	\$464,463	\$1,108,587	\$1,479,311	\$1,064,085	\$1,090,688	\$7,622,132
Montréal-Nord	\$-	\$-	\$298,537	\$1,618,682	\$102,128	\$383,583	\$366,000	\$-	\$109,227	\$2,878,157
Outremont	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-
Pierrefonds-Roxboro	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$62,550	\$248,076	\$310,626
Le Plateau-Mont-Royal	\$499,470	\$732,201	\$816,845	\$841,350	\$866,591	\$936,988	\$1,230,732	\$1,422,911	\$927,658	\$8,274,746
RDP-PAT	\$873,320	\$868,407	\$773,041	\$815,746	\$665,964	\$766,995	\$862,454	\$879,703	\$897,298	\$7,402,928
Rosemont-La Petite-Patrie	\$165,463	\$992,778	\$992,778	\$992,778	\$969,537	\$853,335	\$853,335	\$862,593	\$908,877	\$7,591,474
Saint-Laurent	\$1,053,833	\$548,804	\$1,849,331	\$3,018,030	\$1,512,822	\$1,125,000	\$1,719,003	\$1,205,306	\$2,849,726	\$14,881,855
Saint-Léonard	\$226,502	\$216,510	\$219,701	\$355,523	\$272,013	\$368,813	\$305,605	\$325,265	\$344,014	\$2,633,946
Le Sud-Ouest	\$322,941	\$447,783	\$458,295	\$469,252	\$470,966	\$440,219	\$459,442	\$476,621	\$409,512	\$3,955,031
Verdun	\$737,535	\$141,812	\$1,212,184	\$1,767,608	\$1,014,266	\$441,764	\$1,001,700	\$963,040	\$1,004,444	\$8,284,353
Ville-Marie	\$425,152	\$492,471	\$523,678	\$539,388	\$1,140,686	\$1,754,170	\$1,176,556	\$551,101	\$551,101	\$7,154,303
Villeray-Saint-Michel- Parc-Extension	\$73,999	\$450,531	\$485,678	\$500,248	\$500,340	\$440,779	\$445,875	\$422,275	\$434,943	\$3,754,668
Total	\$6,019,279	\$8,087,547	\$11,030,440	\$14,131,082	\$11,372,661	\$12,113,245	\$14,131,884	\$11,933,681	\$14,456,707	\$103,276,526

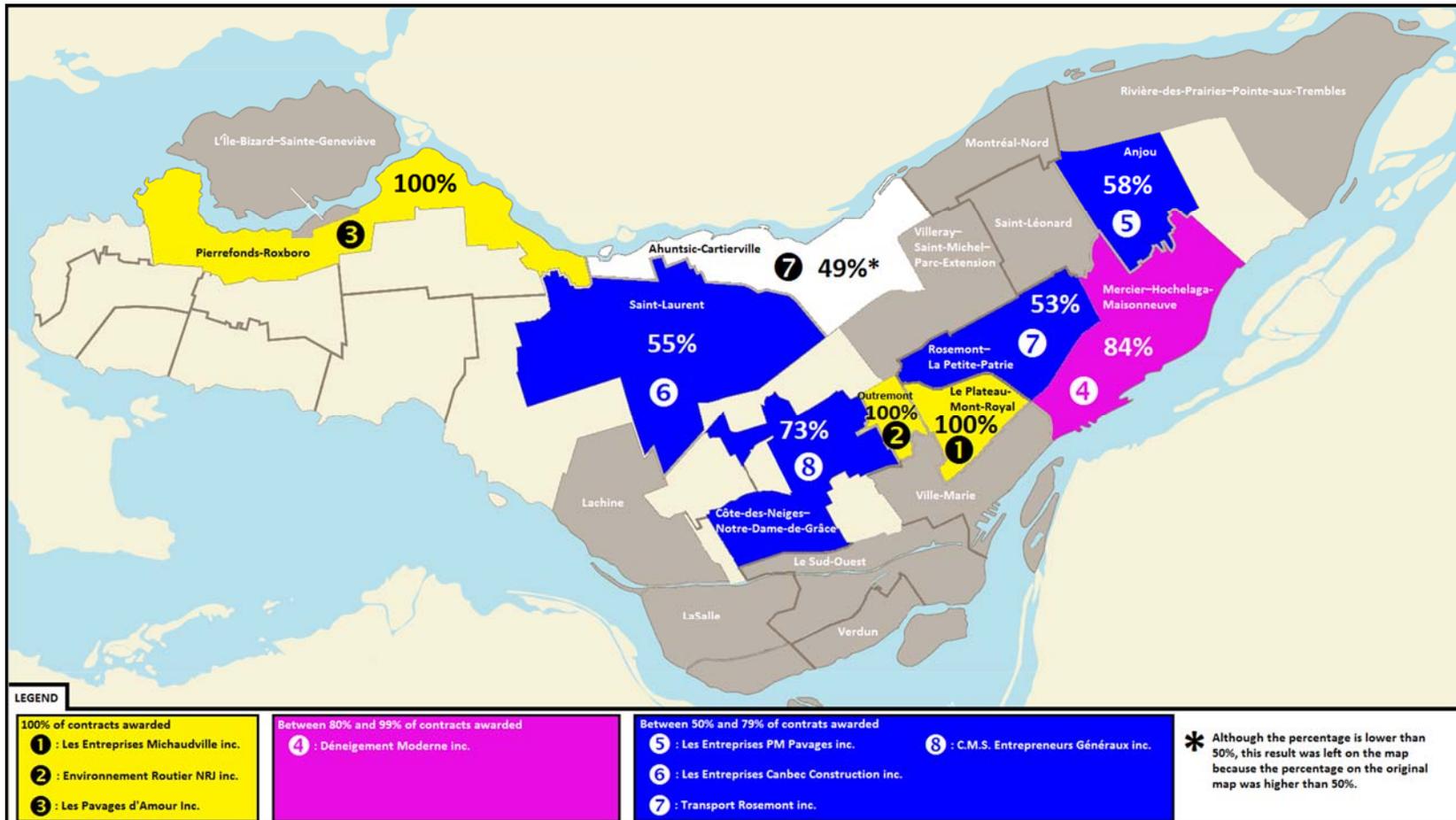
6.10. Snow Disposal Contracts in Force from 2005 to 2013, by Borough

**Table J – Amounts of the Contracts from 2005 to 2013, by Borough
Snow Disposal Operations**

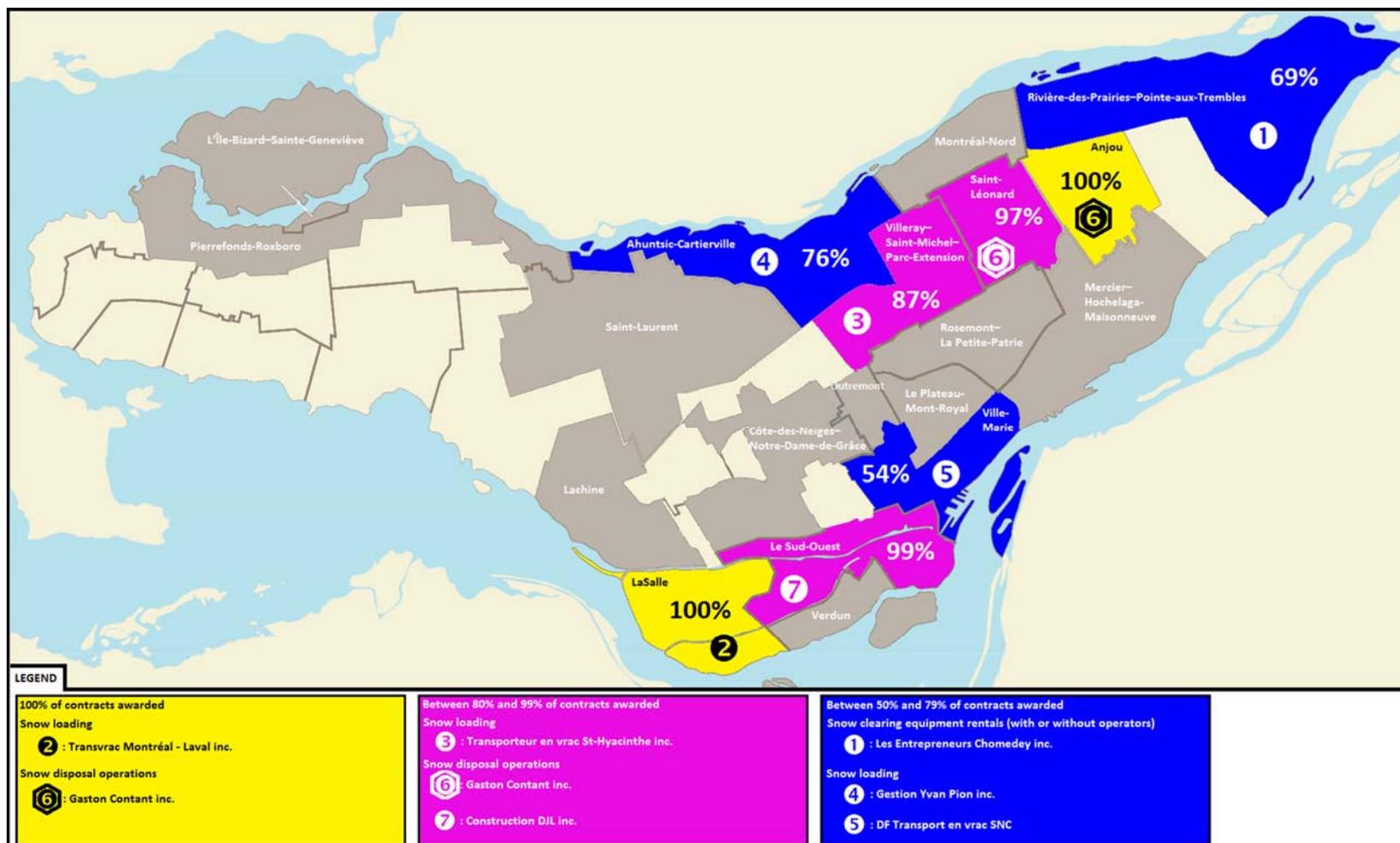
Borough	Contract amounts									Total
	2005	2006	2007	2008	2009	2010	2011	2012	2013	
Ahuntsic-Cartierville	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-
Anjou	\$494,192	\$459,655	\$456,141	\$738,000	\$765,000	\$801,000	\$329,633	\$1,015,498	\$1,790,008	\$6,849,127
CDN-NDG	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-
L'Île-Bizard- Sainte-Genève	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-
Lachine	\$-	\$-	\$149,671	\$870,713	\$369,921	\$171,089	\$115,980	\$265,796	\$407,335	\$2,350,505
LaSalle ^[a]	\$1,103,090	\$1,103,090	\$1,103,090	\$1,103,090	\$1,210,427	\$1,371,431	\$1,371,431	\$1,371,431	\$1,371,431	\$11,108,511
MHM	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-
Montréal-Nord	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-
Outremont	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-
Pierrefonds-Roxboro	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-
Le Plateau-Mont-Royal	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-
RDP-PAT	\$452,925	\$475,571	\$380,953	\$322,660	\$332,339	\$442,144	\$487,377	\$497,124	\$507,067	\$3,898,160
Rosemont-La Petite-Patrie	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-
Saint-Laurent	\$299,997	\$215,280	\$217,737	\$106,117	\$32,237	\$89,330	\$91,207	\$93,255	\$95,589	\$1,240,749
Saint-Léonard	\$19,075	\$142,551	\$554,367	\$1,105,435	\$909,758	\$919,317	\$928,592	\$938,052	\$703,091	\$6,220,238
Le Sud-Ouest	\$46,227	\$278,511	\$285,473	\$292,610	\$301,041	\$314,148	\$322,001	\$330,051	\$308,719	\$2,478,781
Verdun	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-
Ville-Marie	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-
Villeray-Saint-Michel- Parc-Extension	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-
Total	\$2,415,506	\$2,674,658	\$3,147,432	\$4,538,625	\$3,920,723	\$4,108,459	\$3,646,221	\$4,511,207	\$5,183,240	\$34,146,071

^[a] There is some ambiguity as to the interpretation of the amounts of the contracts in the decision-making summaries and those validated by the borough. For the purposes of our audit, we have elected to use the amounts validated by the borough.

6.11. Map Showing the Concentration of Contracts by Borough from 2005 to 2013 – Snow Clearing Operations



6.12. Map Showing the Concentration of Contracts by Borough from 2005 to 2013 – Snow Clearing Equipment Rentals (With or Without Operators), Snow Loading and Snow Disposal Operations





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



Table of Contents

1. Introduction	551
2. Purpose and Scope of the Audit	552
3. Summary of Findings	553
3.1. Ville de Montréal.....	553
3.2. Boroughs	554
4. Detailed Findings and Recommendations	555
4.1. Ville de Montréal.....	558
4.2. Boroughs	574
5. General Conclusion	577
6. Appendices	580
6.1. Contracts for the Collection and Removal of Household Waste and Recyclable Materials in Force from 2005 to 2013, by Company	580
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	581
6.3. Contracts for the Collection and Removal of Household Waste in Force from 2005 to 2013, by Company	584
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.....	585
6.5. Contracts for the Collection and Removal of Recyclable Materials in Force from 2005 to 2013, by Company	587
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.....	588
6.7. Contracts for the Collection and Removal of Household Waste and Recyclable Materials in Force from 2005 to 2013, by Borough.....	590
6.8. Contracts for the Collection and Removal of Household Waste in Force from 2005 to 2013, by Borough	591

6.9. Contracts for the Collection and Removal of Recyclable Materials in Force from 2005 to 2013, by Borough.....	592
6.10. Map Showing the Concentration of Contracts by Borough from 2005 to 2013 – Collection and Removal of Household Waste	593
6.11. Map Showing the Concentration of Contracts by Borough from 2005 to 2013 – Collection and Removal of Recyclable Materials	594

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 Rebutis 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

Rebutis 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 Rebutis 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-Genève	\$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

