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TO:	CHAIR AND MEMBERS CIVIC WORKS COMMITTEE MEETING ON JUNE 19, 2012
FROM:	JOHN BRAAM, P.ENG. ACTING EXECUTIVE DIRECTOR, PLANNING, ENVIRONMENTAL & ENGINEERING SERVICES & CITY ENGINEER
SUBJECT:	TENDER 12-77 CONTRACT AWARD FOR 2012 W12A LANDFILL GAS COLLECTION SYSTEM EXPANSION

RECOMMENDATION

That, on the recommendation of the Director, Environmental Programs & Solid Waste, the following actions **BE TAKEN** with respect to Tender 12-77 for the expansion of the landfill gas collection system at the W12A Landfill Site, Capital Project SW6040;

- (a) The bid submitted by JBL Construction, 2969 Lakeshore Road, Box 429 Brights Grove, ON N0N 1C0 at its tendered price of \$401,576.70 excluding H.S.T. for construction of the expansion of the W12A Landfill gas collection system and the provisional additional items, **BE ACCEPTED**; it being pointed out that the bid submitted by JBL Construction, was the lowest of nine (9) bids received and meets the City's specifications and requirements in all areas;
- (b) The financing for this project **BE APPROVED** as set out in the Sources of Financing Report attached hereto as Appendix "A";
- (c) Comcor Environmental Limited **BE AUTHORIZED** to carry out gas extraction well drilling supervision, resident inspection and contract administration for the said project in accordance with the estimate, on file, at an upset amount of \$49,190 excluding H.S.T. noting that this firm completed the engineering design, based upon the Fee Guideline for Professional Engineering Services, recommended by the Ontario Society of Professional Engineers; and in accordance with Section 15, Clause 15.2(g) of the City of London's Procurement of Goods and Services Policy;
- (d) The Civic Administration **BE AUTHORIZED** to undertake all the administrative acts that are necessary in connection with this project;
- (e) The approval given herein **BE CONDITIONAL** upon the Corporation entering into a formal contract or issuing a purchase order for the material to be supplied and the work to be done relating to this project (Tender 12-77); and
- (f) The Mayor and City Clerk **BE AUTHORIZED** to execute any contract or other documents, if required, to give effect to these recommendations.

PREVIOUS REPORTS PERTINENT TO THIS MATTER
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- Relevant reports that can be found at www.london.ca under City Hall (Meetings) include:
- Solid Waste Management Updates (April 23, 2012 meeting of the Civic Works Committee (CWC), Agenda Item #17)
 - Tender 10-43 Contract Award for Expansion of W12A Landfill Gas Collection System in Cells 6 South and 5 West (April 14, 2010 meeting of Board of Control (BoC), Agenda Item #5)
 - Update on the Sale of Greenhouse Gas Emission Offset Credits from the Destruction of Landfill Gas (November 2, 2009 meeting of Environment and Transportation Committee (ETC), Agenda Item #3)
 - Tender 08-85 Contract Award for Landfill Gas Collection System Expansion (November 26, 2008 meeting of BoC, Agenda Item #3)

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- Sale of Greenhouse Gas Emission Offset Credits from the Destruction of Landfill Gas (May 26, 2008 meeting of ETC, Agenda Item #3)
- Ontario Proposal for a Landfill Gas Collection and Control Regulation Mandating the Collection of Methane Gas (October 29, 2007 meeting of ETC, Agenda item #3)
- Contract Award for Landfill Gas Collection System Expansion (April 26, 2006 meeting of BoC, Agenda Item #1)

BACKGROUND

Purpose:

The purpose of this report is to approve the tender that will allow for the construction of the expansion of the W12A landfill gas collection.

Discussion:

The landfill gas collection and flaring system began operation in June 2004 and has been expanded three times (2006, 2009 and 2010) in the past into areas of the landfill that has reached final grade and will no longer be receiving garbage. The system currently collects approximately 13,000 to 16,000 litres per minute (450 to 550 cubic feet per minute) of landfill gas.

The proposed expansion of the landfill gas collection system will connect an additional seventeen (17) new gas extraction wells to the system, extend the gas collection system ring header along a portion of the northern limit of the landfill, install some additional system isolation valves and repair some existing maintenance holes around the perimeter of previously filled portions of the landfill. These actions are expected to increase gas flows by approximately 5,500 to 7,000 litres per minute (200 to 250 cubic feet per minute). This will:

- further reduce odours from the landfill. This project was submitted to the Ministry of the Environment in December 2011 as one of several projects specifically designed to reduce the occurrence of odours at the landfill. This project was also presented to the W12A Neighbourhood Public Liaison Committee as one of a couple projects required to significantly reduce the increase in intermittent odours that the community experienced between October 2011 and February 2012;
- result in the destruction of additional methane (a major component of landfill gas) a greenhouse gas, which will be equivalent to the reduction of approximately 33,000 tonnes of carbon dioxide (CO₂) per year; and
- increase the size of any future landfill gas utilization project.

Conclusions:

Tenders for the landfill gas collection system expansion project were opened on Wednesday, May 30, 2012. All tenders were checked by the Finance Department and the Planning, Environmental & Engineering Services Department.

The recommendations are based on the low bid received. Nine (9) contractors submitted tenders as shown on Table 1 on the next page. JBL Construction participated in the construction of the most recent landfill gas collection system expansion. This project met all City requirements.

The detailed design tender estimate just prior to tender opening was \$550,000.00 (excluding H.S.T.). All tenders include a contingency allowance of \$65,000 (excluding H.S.T.). The submitted tender price meets the available budget.

Comcor Environmental Limited has completed the design portion of the project and consequently the continued use of Comcor Environmental Limited for gas extraction well drilling supervision, resident inspection and general administration of this project is to the financial advantage of the City. The upset limit for the gas extraction well drilling supervision, resident inspection and general administration is \$49,190 (excluding H.S.T.). Comcor Environmental Limited has completed previous landfill gas collection system work at the W12A landfill as well as work on many other Ontario landfill sites.

The expansion of the landfill gas collection system will not increase operating costs of the gas collection and flaring system.

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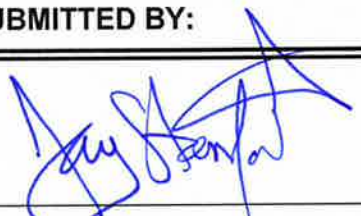
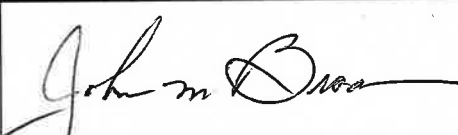
Table 1: Summary of Tender Prices

	Contractor	Tender Price Submitted (excluding HST)	Corrected Tender Price (excluding HST)	Provisional Items ^(a) Additional Price Submitted (excluding HST)	Corrected Provisional Items ^(a) Additional Price Submitted (excluding HST)	Total Tender Price and Additional Provisional Items (excluding HST)
1	JBL Construction	\$363,025.35	---	\$38,551.35	---	\$401,576.70
2	J-AAR Excavating	\$407,115.90	---	\$38,430.00	\$38,370.00	\$445,485.90
3	Bre-Ex Limited	\$462,845.32	\$456,545.32	\$232,500.00	---	\$689,045.32
4	C.H. Excavating	\$498,240.65	---	\$22,627.55	---	\$520,868.20
5	L82 Construction LTD	\$517,357.69	\$490,930.81	\$49,000.00	---	\$539,930.81
6	DeRose Bros. General Contracting	\$524,976.69	---	\$65,093.00	---	\$590,069.69
7	The Cannington Group	\$540,489.00	---	\$50,450.00	---	\$590,939.00
8	AVERTEX Utility Solutions Inc	\$597,479.00	---	\$42,190.00	---	\$639,669.00
9	A. Vanegmond Construction Ltd.	\$614,220.00	---	\$26,350.00	---	\$640,570.00

(a) Supply and installation of additional isolation valve assemblies, and repair some existing maintenance holes

Acknowledgements

This report was prepared with assistance from Michael Losee, Manager, Solid Waste Engineering and Wesley Abbott, Division Manager, Solid Waste Management.

SUBMITTED BY:	RECOMMENDED BY:
	
JAY STANFORD, M.A., M.P.A. DIRECTOR, ENVIRONMENTAL PROGRAMS & SOLID WASTE	JOHN BRAAM, P.ENG. ACTING EXECUTIVE DIRECTOR, PLANNING, ENVIRONMENTAL & ENGINEERING SERVICES & CITY ENGINEER

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Attachments: Appendix "A" – Sources of Financing

- c. Martin Hayward, City Treasurer & Chief Financial Officer
JBL Construction
Comcor Environmental Ltd

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