



# REPORT

To: Chair and Directors

Report Number: ENV-BRD-008

From: Paulo Eichelberger, General Manager of Environmental Services

Date: June 6, 2020

**Subject: June 4, 2020 Solid Waste Committee Recommendations**

---

The following recommendations from the June 4, 2020 Solid Waste Committee meeting are presented to the Regional Board for its consideration:

**RECOMMENDATION #1: [Corporate Weighted]**

That the Regional Board award RFQ 22-2020, 'Decommissioning of Bulky Pits at PRRD Transfer Station Sites Phase 1', to Chapman Industries Ltd., at a cost \$335,797.06 (excluding GST); further, that the Chair and Chief Administrative Officer be authorized to sign the agreement on behalf of the PRRD.

**RECOMMENDATION #2: [Corporate Weighted]**

That the Regional Board award RFQ 23-2020, 'Recycling Sheds', to Northern Portables, at a cost of \$115,200.00 (excluding GST); further, that the Chair and Chief Administrative Officer be authorized to sign the agreement on behalf of the PRRD.

**RECOMMENDATION #3: [Corporate Weighted]**

That the Regional Board award RFP 27-2020, 'Bessborough Landfill: Leachate Pond, Phase 1B Closure and Phase 3B Expansion', to OCL Industrial Services Ltd. at a cost of \$2,961,628.05 (excluding taxes); further, that the Chair and Chief Administrative Officer be authorized to sign the agreement on behalf of the PRRD.

**RECOMMENDATION #4: [Corporate Weighted]**

That the Regional Board award RFP 12-2020 "North Peace Regional Landfill 2020 LFG Stage 2 Phase 2" to Knappett Industries Ltd., at a cost of \$268,998.50 (excluding GST); further, that the Chair and Chief Administrative Officer be authorized to sign the purchase agreement on behalf of the PRRD.

**RECOMMENDATION #5: [Corporate Weighted]**

That the Regional Board enter into an agreement with Green for Life Environmental (GFL) for production of Bio-Sul material at the North Peace Regional Landfill for a 1 year term, commencing August 1, 2020; further, that the Chair and Chief Administrative Officer be authorized to sign the purchase agreement on behalf of the PRRD.

**RECOMMENDATION #6: [Corporate Unweighted]**

That the Regional Board receive the June 4, 2020 report that was previously received at a Solid Waste Committee meeting titled “Chetwynd Landfill Phase B Closure Update” for information.

**RECOMMENDATION #7: [Corporate Unweighted]**

That the Regional Board forward a letter to Tervita Corporation, with a copy to the “Nor’ Pioneer Women’s Institute,” clearly explaining:

- a. why a public outreach event could not be held at the Cecil Lake Transfer Station in May, 2020; and
- b. how to refer any requests to conduct a public outreach event at a PRRD site to the Peace River Regional District for consideration.

**BACKGROUND/RATIONALE:***Recommendation #1 Decommissioning of Bulky Pits*

Three of seven Tier 1 Transfer Stations (Cecil Lake, Kelly Lake and Rose Prairie) utilize trenches (called “bulky waste pits”) for disposal of bulky waste items.<sup>1</sup> In the fall of 2018, representatives from the Ministry of Environment and Climate Change Strategy visited the sites and inquired on the operation of the pits. The PRRD was advised that in order to continue using these pits a more prominent separation between where the water gathers and where the waste is deposited would need to be established. Additionally, the bulky pits were not specifically noted in the site permits, as a result the permits would have to be amended in order to continue using the pits.

In 2019, it was determined that the pits would be decommissioned and capped. As an alternative, tipping rails and 40 yard bins will be utilized to manage the bulky waste. The project has been split into 2 phases:

1. Phase 1 - construction of ramps and tipping rails. (2020)
2. Phase 2 - decommissioning/ closing of bulky pits. (2021)

Staff issued a Request for Quotation for the construction works and received six bids. Based on the evaluation, Chapman Industries is the recommended proponent for the project. The company is based in Vernon, and plans on using local subcontractors for this project. Please refer to Attachment #1 for additional detail.

*Recommendation #2 Recycling Sheds*

In 2019, Recycle BC (RBC) advised the PRRD of operational changes to its program. The major change was moving from a collection system that previously utilized a combination of roll off bins and mega bags to a strictly mega bag system. At this time it was proposed to invest in 14’x32’ storage sheds at the transfer station sites, having nine buildings for the designated depot sites, leaving the three satellite depot sites as is to reduce budgeted infrastructure costs. The sheds will provide a singular collection point for all 7 streams of recyclables collected, provide a weather-proof storage location of up to 18 full mega bags and provide an opportunity to onboard collection of other stewardship items in the future.

---

<sup>1</sup> Bulky waste includes items that do not break down a landfill, such as discarded furniture and plumbing fixtures.

A Request for Quotation (RFQ) was issued to secure the best pricing for nine 14'x32' sheds to be used at Tier 1 and Tier 2 transfer stations. Nine bids were received and evaluated, with Northern Portables the recommended proponent. Please refer to Attachment 2 for additional detail.

*Recommendation #3 Bessborough Landfill Leachate Pond, Phase 1B, Phase 3B*

As Phase 1 of the Bessborough landfill started to approach its design capacity, plans for the construction of Phase 3 began. Phase 3 will provide storage for 199,500m<sup>3</sup> of material and is estimated to provide 5.88 years of landfilling. In 2018 staff placed a tender for the construction of Phase 3 however, due to the pricing received, it was determined that the project would be split into two parts.

1. Phase 3A Construction & Phase 1A Cover & Phase 2 Cover.
2. Phase 3B Construction & Phase 1B Cover.

Phase 3A construction and Phase 1A & 2 closure was tendered and constructed in 2019, leaving Phase 3B Construction/Expansion & Phase 1B Cover to be completed in 2020.

Additionally in 2018, a Leachate Management Plan was developed for the landfill. The plan provided methods for collection, treatment, and disposal for leachate generated on the site. The leachate management system was slated for construction in 2020. With the initial timelines this would have given the site a year between capital projects. However, due to the construction of Phase 3 being both delayed and split, the construction season for 2020 would have potentially seen two capital projects at the site.

With concerns of the short construction season, it was decided to combine Phase 3B construction with the leachate management works rather than delaying leachate works to 2021. Combining the projects in the same year under the same contract is expected to reduce project construction costs by utilizing the same consulting engineer for the design and Quality Assurance/Quality Control for both projects. Staff issued a tender to secure the best pricing, resulting in six bids being received. Through the evaluation process, the 1<sup>st</sup> and 2<sup>nd</sup> lowest bids did not meet the mandatory requirements of a complete "Form of Bid" or "Acknowledgement of Addenda," and were excluded from evaluation as detailed in the tender document. OCL Industries was the preferred proponent, though they were the 3<sup>rd</sup> lowest bidder.

Questions arose at the Solid Waste Committee meeting regarding why a cheaper bid can be disqualified if it does not meet mandatory requirements. At the Committee's request, staff sought legal advice to clarify how the presence or absence of these documents can affect the PRRD's interests:

*What are the legal ramifications to the PRRD if a proponent that did not meet mandatory bid requirements was awarded a construction contract?*

Where the tender documents do not permit the PRRD to retain for consideration a bid that does not use the required Form of Bid or the Acknowledgement of Addenda, then if the PRRD were to nevertheless purport to waive the defect and award the contract to that bidder, the RD would be in breach of its "Contract A" obligations to bidders. As a result, the RD could have liability exposure to that other bidder, if it is established that the complaining bidder would have been awarded Contract B had the owner not breached Contract A. Such liability could include lost profits on the project, as well as other losses.

Under the “Mandatory Bid Requirements” section of the Bessborough Landfill tender documents, proponents were directed to ensure that the Form of Bid was completed and acknowledge receipt of all addenda documents posted<sup>2</sup>. The lowest and second-lowest bidders (Dave Moore Trucking and Road Bridge Services, respectively) submitted proposals that were missing some or all of this information:

- The bid provided by Dave Moore Trucking contained an incomplete Form of Bid with no statement of qualifications or acknowledgement of any of the addenda for the project.
- The bid provided by Road Bridge Services contained no Form of Bid and only a modified schedule of Prices with multiple exclusions for several cost items.

The inclusion of these completed documents are significant in that bidders can only be compared equally on the basis that they fully understand what the project entails and have equivalent experience in similar project works. Without this information provided prior to the closing of the tender, these bids cannot be evaluated. Therefore, the bids described above were disqualified from further evaluation. Please refer to Attachment 3 for additional detail.

#### Recommendation #4 Landfill Gas

The North Peace Regional Landfill contains a Landfill Gas Collection and Control System (GCCS), which mitigates the impacts of landfill gas generated from breakdown of the garbage mass in the landfill by incineration/reuse of methane. Under the Landfill Gas Regulation, a site needs to maximize the amount of methane captured as per its design plan via placement of piping into the waste at various stages of landfill development. Expansion of the field adds to the capacity of methane gas capture, which will benefit the total volume available for potential reuse/flaring. The site has four stages in which this construction takes place. A Request for Proposal to expand the next stage (Stage 2) of the landfill gas field was issued, resulting in four bids being submitted. The lowest cost bidder was disqualified from evaluation for not meeting mandatory requirements of the bid: no inclusion of a bond. As a result, only the remaining three bids were evaluated and the second lowest cost provider overall, Knappett Industries Ltd., was identified as the preferred proponent. Please refer to Attachment 4 for additional detail.

#### Recommendation #5 Bio-Sul Production Agreement

Bio-Sul is a material created by blending finished compost with elemental Sulphur. It is used as a nutrient treatment in the agricultural industry, particularly in Saskatchewan.

On August 18, 2018, the composting division of Green for Life (GFL) began the Soil Amendment production of Bio-Sul on the composting pad at the North Peace Regional Landfill (NPRLF). At this time, GFL brings truckloads of compost to the NPRLF from other composting sites they operate in Alberta. The material is stockpiled and blended with elemental Sulphur. Once blended and screened, the material leaves the NPRLF and heads to markets in Saskatchewan.

A draft agreement was created in 2018 for the production of Bio-Sul at the NPRLF. The agreement outlined that GFL would use the composting pad for blending operations while the PRRD would receive a revenue of \$5/tonne for the finished material that leaves the site. To date, 30,892.5 metric tonnes of material has been moved through the site. This equates to a revenue of \$154,462.

---

<sup>2</sup> Nine addenda forms were issued which fundamentally changed the scope of the work. As stated in the documents, “Failure to acknowledge each and every Addendum may constitute grounds for rejection of the bid.”

The agreement was never finalized back in 2018, and the operation is working under the current landfill contract that expires July 31, 2020. Staff would like ratify the original 2018 agreement, which will include an additional clause citing a term of one year extending from August 1, 2020 to July 31, 2021. During this term, staff will issue a Request for Proposal (RFP) for composting services to secure a composter for future operations. As part of the RFP, Bio-Sul Amendment will be included in the scope of work as per the current Composting Operations Manual for the site. Please refer to Attachment 5 for additional detail.

#### Chetwynd Landfill Phase B

In 2019, the Chetwynd Landfill Phase B Closure project was awarded for \$1,428,773. While the project was underway, the prime construction contractor defaulted, prompting a claim on the performance bond for the contract by the PRRD. To complete the project, it was decided that two contracts would be established:

1. Contract #1 – Earthworks
  - a. All outstanding line items from the original contract (minus the liner install).
  - b. This contract was retendered.
2. Contract #2 – Liner Installation
  - a. Installation of the liner and landfill gas piping.
  - b. Sole-source to the subcontractor under the previous prime contractor.
3. Discussions between the project engineer, Sperling Hansen (SHA), and previous liner subcontractor, Western Tank & Lining (WTL) confirmed that they would hold their original contract price for installation of the liner materials in 2020. Therefore, Contract #2 was kept separate as WTL had already provided the material which remains on site at the Chetwynd Landfill.
4. SHA will perform quality assurance and supervision for both contracts in order to complete the project. The PRRD is responsible for the cost of the work up to the original contract price of \$1,428,773 and any overages will be paid out by Trisura to a maximum of the bond amount of \$714,387. It is expected that the project will be substantially completed by August 15, 2020, and with total completion by September 30, 2020.

Please refer to Attachment #6 for additional detail.

#### Recommendation # 7 Cecil Lake Transfer Station

Staff became aware of an event called “The Plant Swap,” which was organized by the Nor’ Pioneer Women’s Institute (WI) and took place at the Cecil Lake Transfer Station in May 2020 without authorization from the PRRD. The Institute was advised that, due to the liability of large unauthorized gatherings during the COVID pandemic, this event could not be conducted on PRRD property. A letter was forwarded to the transfer station contractor (Tervita), advising that public health orders must be followed to ensure the health and safety of the attendant and the public. Tervita had the Institute close out the event immediately. A follow-up letter from the Institute to Tervita was sent with a cc to PRRD staff and the Director of Electoral Area B to apologize for the incident.

During the Solid Waste Committee meeting, it was felt that the current approval process (shown below) was lengthy and needs to be uncomplicated:

1. Forward request to Area Director to hold an event on PRRD lands/sites
2. Area Director forwards request to Solid Waste Committee
3. Solid Waste Committee forwards recommendation to Regional Board

4. Regional Board approves or denies the request

#### ALTERNATIVE OPTIONS:

1. That the Regional Board provide further direction.

#### STRATEGIC PLAN RELEVANCE:

- ☒ Responsive Service Delivery

#### FINANCIAL CONSIDERATION(S):

##### Recommendations #1-#4

Budget tracking table for all new capital projects budgeted for 2020 and their status are shown below:

2020 Project	Budgeted	Actual Bid Price	Budgeted vs Actual	Status
Transfer Station Software Upgrade (CW6)	\$230,000	\$232,000	-\$2,000	Approved
Bulky Pit Ramps (Rec. #1)	\$470,000	\$335,797.06	\$134,202.94	SWC for Approval
Recycling Sheds (Rec. #2)	\$184,500	\$115,200	\$69,300	
BBLF 3B Construction, 1B Closure (Rec. #3)	\$2,836,722	\$2,961,628.05	-\$124,906.05	June 4, 2020
NPRLF LFG Phase 2 Stage 2 Construction (Rec. #4)	\$220,000	\$268,998.50	-\$48,998.50	
Total	\$3,941,222	\$3,913,624.55	\$27,597.45	
CHLF Scale Design, Tender, QA/QC	\$250,000	TBD	TBD	RFP Closes June 12 <sup>th</sup>

From the table, new capital works are \$27,597 under budget for 2020.

##### Recommendation #5

The production of Bio-Sul at NPRL generates a revenue stream of \$7,355/month or approximately \$88,264/year.

##### Recommendation #6

The cost of the original project was \$1,428,773. On this basis, \$1,060,493 worth of work remains to complete the project. Completing the work under the bond is estimated to be \$745,075: this leaves \$323,418 in surplus which will offset the retendering and construction supervision costs.

#### COMMUNICATIONS CONSIDERATION(S):

None identified.

**OTHER CONSIDERATION(S):***Recommendation #4*

The PRRD is working with Pacific Northern Gas Ltd. to develop a feasible project to divert the collected landfill gas for beneficial re-use as part of their provincial mandate to include a portion of renewable gas in their product stream.

*Recommendation #5*

Should the Board choose to move straight to a Request for Proposal for Composting Services, this means:

1. GFL will need to cease Bio-Sul operations and move off site when the new landfill operations contractor starts; and
2. Revenue from the Bio-Sul will cease by July 31, 2020.

*Recommendation #6*

The bonding company (Trisura) conducted the retendering process to locate the lowest (cost) responsible bidder to complete the project work for Contract #1 and Contract #2. The PRRD does not directly award the work for this project.

**Attachments:**

1. Recommendation 1 – SWC Report Decommissioning of Bulky Pits RFQ Award
2. Recommendation 2 - SWC Report Recycling Sheds RFQ Award
3. Recommendation 3 – SWC Report Bessborough Landfill Leachate/Landfill Works Contract Award
4. Recommendation 4 – SWC Report NPRLF Landfill Gas Contract Award
5. Recommendation 5 – SWC Report Bio-Sul Production Agreement
6. Recommendation 6 – SWC Report – Update Chetwynd Landfill Phase B Closure