



# REPORT

To: Solid Waste Committee

Report Number: ENV-SWC-009

From: Paulo Eichelberger, GM of Environmental Services

Date: June 4, 2020

**Subject: North Peace Landfill Gas Expansion Phase 2 Stage 2 Award**

## RECOMMENDATION:

That the Solid Waste Committee recommend that the Regional Board award RFP 12-2020, "North Peace Regional Landfill 2020 LFG Stage 2 Phase 2" to Knappett Industries Ltd. for construction of the landfill gas expansion Stage 2, for \$268,998.50 (excluding GST); further, that the Chair and Chief Administrative Officer be authorized to sign the agreement on behalf of the PRRD.

## BACKGROUND/RATIONALE:

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<sup>1</sup>. 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<sup>2</sup>. 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 4 stages in which this construction takes place. A Request for Proposal to expand the next stage (Stage 2<sup>3</sup>) of the landfill gas field was issued on Mar 30, 2020 and closed May 15, 2020. Four companies submitted bids and were evaluated as listed below:

	Good to Go Oilfield Services Ltd	OCL Industrial Services Ltd.	S Young Enterprises Ltd.	Knappett Industries
<b>Mandatory Requirements</b>				
Form of Agreement	✓	✓	✓	✓
Pricing	✓	✓	✓	✓
Agreement to Bond - 50% Performance Bond - 50% Payment Bond	✓	✓	✗	✓
<b>Tender Price</b>				
<b>PROPOSAL COST (Excluding GST)</b>	<b>\$408,869.00</b>	<b>\$315,840.30</b>	<b>\$119,835.00</b>	<b>\$268,998.50</b>

<sup>1</sup> Phase 2 Stage 1 was completed in 2018 and Phase 2 Stage 2 is scheduled for 2020.

<sup>2</sup> Design Plan of a GCCS is required for sites containing more than 100,000 tonnes of waste and generates more than 1000 tonnes of methane (BC MOECCS Landfill Gas Management Regulation Sec. 7). The facilities are then built in accordance with the design plan or in this case, the PRRD Landfill Gas Master Plan.

<sup>3</sup> Stage 2 involves installation of 3 vertical pipes and one valve chamber to add to the collection network and increase methane capture.

Working with the engineering consultant, GHD, the proponents were evaluated for completeness and compliance with the specified requirements of the project. Of the four bids received, one bid (S Young Enterprises Ltd.) failed to meet all mandatory requirements outlined in the tender documents.

The remaining three bids met all mandatory tender requirements: through the evaluation, Knappett Industries submitted the best proposal, based on mandatory requirements, related experience, and good references. Although they are the second lowest cost provider overall, Knappett Industries is the recommended bidder for the Landfill Gas Expansion Stage 2 Phase 2 award.

### ALTERNATIVE OPTIONS:

1. That the Solid Waste Committee provide further direction.

### STRATEGIC PLAN RELEVANCE:

- ☒ Not Applicable to Strategic Plan.

### FINANCIAL CONSIDERATION(S):

Through the 2020 budget process \$220,000 was budgeted for the expansion work at NPRL.

While the recommended proponent is \$48,000 over the budgeted estimate, the cost of the work can be accommodated in the total 2020 capital budget general ledger line. A table summarizing the status and cost of the 2020 Capital projects (excluding carry forward projects) is provided below:

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

If all four projects are approved, the total balance for the capital works in 2020 remains \$27,597 under budget in the capital budget general ledger line.

### COMMUNICATIONS CONSIDERATION(S):

None identified.

### OTHER CONSIDERATION(S):

The PRRD has an agreement with the gas utility, Pacific Northern Gas Ltd., to develop a feasibly re-use project to divert the collected landfill gas for re-use as part of their provincial mandate to include a portion of renewable gas into their product stream.