

THE REGIONAL MUNICIPALITY OF YORK

**REPORT NO. 7 OF THE
OF THE REGIONAL COMMISSIONER OF TRANSPORTATION AND WORKS**

**For Consideration by
The Council of The Regional Municipality of York
on June 26, 2003**

**1
BALES DRIVE WASTE MANAGEMENT FACILITIES CONTRACT**

(Regional Council at its meeting on June 26, 2003, amended the following report as follows:

- 1. The Regional Chair and Clerk be authorized to execute an agreement with Miller Paving Limited on behalf of the Region for the design and construction of a northern transfer station, material recovery facility, weigh scales and associated works at the Bales Drive property in East Gwillimbury as outlined in this report for a total of \$26,238,297, plus GST.)***

1. RECOMMENDATION

It is recommended that:

1. The Regional Chair and Clerk be authorized to execute an agreement with Miller Paving Limited on behalf of the Region for the design and construction of a northern transfer station, material recovery facility, weigh scales and associated works at the Bales Drive property in East Gwillimbury as outlined in this report for a total of \$26,238,297 excluding GST.

2. PURPOSE

The purpose of this report is to obtain authorization to execute the contract for the design and construction of the waste management facilities on Bales Drive in East Gwillimbury under RFP No. 99-56.

3. BACKGROUND

On February 28, 2002, Regional Council adopted Report No. 3 of the Commissioner of Transportation and Works to conclude agreements with Miller Waste for the above referenced facilities. Since then, Regional Council adopted Clause No. 1 of Report No. 6 of the Solid Waste Management Committee in December 2002 significantly changing the scope of the operation of the material recovery facility (MRF). The new design would process loose blue box material and not allow the material to be collected in plastic bags.

4. ANALYSIS

Staff has recently concluded a proposed contract with Miller for the design and construction of the above-noted waste management facilities on Bales Drive. There have been changes in the scope of the work and price compared to the terms outlined in the February 28th, 2002 report to Regional Council.

The components of the proposed facility are as follows:

- 45,000 square foot waste transfer station with two compactor units and three truck loading bays. The capacity is 300 tonnes per day for residual garbage and 200 tonnes per day of residential source separated organics.
- 103,000 square foot material recovery facility for processing commingled blue box material. The system will have the capacity to process 20 tonnes per hour of loose (not bagged) material.
- Office space and educational centre.
- Weigh scales and associated buildings and computer systems.
- Storm water pond.
- Site landscaping, roadways and fencing.

Regional staff was assisted by staff from McCarthy Tétrault, Environmental Strategies and Stantec to review the design and negotiate the facility contract and price. The Region did not have competitive bids from other contractors for the facility and therefore significant effort had to be spent to evaluate Miller's price.

The final design and construction costs as negotiated with Miller is \$26,238,297 excluding GST. Regional staff believe that this price is fair and represents good value for the Region.

The key commercial terms of the contract are as follows:

- The contract is a design / build contract with a lump sum price.
- Miller is responsible for the site plan and zoning approvals from the Town of East Gwillimbury and the Environmental Protection Act approvals Ministry of the Environment.
- The design and construction will take 346 working days from the time of full notice to proceed to complete. It is contemplated that this notice will be given by October 1, 2003, if all regulatory approvals are received resulting in a contract completion in January 2005.

- Copyright in the drawings and specifications will reside with Miller. However, the Region will have the rights for the Bales Drive project and to develop its own plans based on the underlying concepts for any other purpose.
- Miller has executed the contract prior to Regional Council approval.

It is recommended that the Regional Chair and Clerk be authorized to execute the agreement on behalf of the Region.

5. FINANCIAL IMPLICATIONS

The design and construction costs of the waste management facilities on Bales Drive are \$26,238,297 excluding GST. The project will be fully funded from the Waste Management capital reserve as approved in the 2003 budget and the 10 year capital program.

In addition to the work under this contract with Miller, the Region must provide site services and roadways on the Bales Drive property. A total of \$6,175,000 has been included in the 2003 approved capital budget. A separate report to Committee and Council will be provided dealing with the construction of the site services and roadways.

Table 1 outlines the total project costs.

Table 1
Project Costs

Item	Cost
Waste Management Facilities	\$26,238,297
Project Management	526,000
Legal	150,000
Total	26,914,297
7% GST	1,884,000
	\$28,798,297
15% Contingency	4,300,000
Total Waste Facilities	\$33,098,297
 Site Services and Roadways	 5,000,000
15% Contingency	750,000
Total Site Services	5,750,000
Total Project	\$38,848,297

6. LOCAL MUNICIPAL IMPACT

The Town of East Gwillimbury will need to approve the site plan and other planning submissions from Miller Waste. It is anticipated that all approvals and issuance of a building permit can be completed by August 2003.

Once the facility is in operation in 2005, the local municipalities will need to change their collection contracts accordingly. New materials will also be added to the blue box once the facility is in operation.

7. CONCLUSION

Staff have concluded a proposed agreement with Miller Waste Systems for the designed and construction of the new waste management facilities on Bales Drive in East Gwillimbury. If all approvals are expeditiously obtained, construction will start in the fall of 2003 and be completed by the end of 2004.

Respectfully submitted,

**June 25, 2003
Newmarket, Ontario**

**K. Schipper
Commissioner of
Transportation and Works**

(Report No. 7 of the Commissioner of Transportation and Works was adopted, as amended, by the Council of The Regional Municipality of York at its meeting on June 26, 2003.)