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PRE-PURCHASE OF BIOFILTER ODOUR CONTROL SYSTEM FOR THE SOUTHEAST COLLECTOR TRUNK SEWER

The Environmental Services Committee recommends the adoption of the recommendation contained in the following report dated May 20, 2010, from the Commissioner of Environmental Services.

1. RECOMMENDATION

It is recommended that:

1. Regional Council authorize entering into a contract with Biorem Technologies Inc. for the design, supply, supervision of installation, commissioning, training and warranty for a Biofilter Odour Control System to be installed as part of the Southeast Collector Trunk Sewer Odour Control Facility, at a cost of \$1,215,000.00 exclusive of all taxes.

2. PURPOSE

This report seeks Council authorization to pre-purchase odour control equipment and related services for the Southeast Collector Trunk Sewer Project.

The Purchasing By-law requires Council authorization to award Request for Proposals (RFP) over \$500,000 or when the recommended proponent does not have the lowest cost. The price of the proposal received from Biorem Technologies Inc, is greater than \$500,000 and therefore Council authorization is required.

3. BACKGROUND

Design of the Southeast Collector Trunk Sewer includes inorganic biofilter

AECOM and Hatch Mott MacDonald has been retained by the Region to provide engineering services for the design of the Southeast Collector Trunk Sewer including the odour control facility. The selected technology for odour control includes an inorganic biofilter.

Pre-purchase of equipment is required to complete overall system design and to mitigate schedule impacts

- Various odour control technologies were evaluated for suitability on this project.

- The design team concluded an inorganic biofilter was the appropriate technology due to the high level of odour removal performance required, ongoing maintenance benefits and smaller space requirement for this technology.
- Shop drawings prepared by the biofilter vendor are necessary for completion of the detail design of the odour control facility. Consequently it is necessary to pre-order the equipment and accompanying shop drawings to achieve the tendering and construction start schedule.

Equipment pre-purchase contract may be assigned to the successful contractor under the Southeast Collector Trunk Sewer contract

The equipment pre-purchase contract includes an option to allow the Region to assign the contract to the successful contractor under the Southeast Collector Trunk Sewer construction contract after that contract has been awarded.

4. ANALYSIS AND OPTIONS

Requests for proposals issued for pre-purchase of equipment

In accordance with the Region's Purchasing By-law, open call Request for Proposals were advertised in the *Daily Commercial News* and electronically on *Biddingo* for Design, Supply, Supervision of Installation, Commissioning, Training, and Warranty for a Biofilter Odour Control System for the Southeast Collector Trunk Sewer Project.

The biological odour control system performance was specified in the Request for Proposals to achieve at least 99.5% removal of hydrogen sulphide (H₂S) and at least 95% odour removal.

To ensure continued operation, ease of maintenance and quick availability of parts, proponents were required to have locally available service representatives to respond to emergency situations within two hours.

One Proposal received and evaluated using two-envelope system

Five companies received the RFP documents and only one proposal was received and evaluated. Supplies and Services followed up with the other companies that received the RFP documents on the reasons provided for not submitting a proposal. Reasons provided indicate two vendors were unable to conform to the specified bid bond requirements, one vendor was unable to supply purely inorganic media and one company did not respond to the inquiry.

The proposal received was evaluated using the two-envelope system with technical and financial information submitted in separate envelopes. The technical proposal was

evaluated prior to any knowledge of the financial information. Technical content was weighted at 70%.

The Region's proposal evaluation team reviewed the technical proposal based on the following criteria:

- Qualifications and experience on similar projects
- System description and maintenance requirements
- Equipment technical information
- Equipment data and biofilter odour control system technical description
- Equipment testing, commissioning and training
- Contract Close-out plans
- Maintenance Service

The financial content composed the remaining 30% weight of the total evaluation. Technical and financial results are summarized in Table 1 below:

Table 1
Vendor Proposal Evaluation Summary for
Pre-purchase of Biofilter for Southeast Collector

Vendor Firm	Technical Score (out of 70)	Financial Score (out of 30)	Total Score (out of 100)	Total Price Exclusive of All Taxes
Biorem Technologies Inc.	60	30	90	\$1,215,000.00

Biorem proposal for supply of the biofilter odour control system met all requirements

The technical proposal was weighted at 70% and to have the financial proposal considered the proposal had to achieve a technical score of 42 out of 70.

Prior to recommending award of this contract, representatives from Supplies and Services and the evaluation team met with Biorem's representatives to confirm their compliance with all technical specifications.

Biorem is as an industry leader in air pollution control with a good track record. Biorem has supplied biofilter odour control systems to the municipalities of City of Toronto, City of Kelowna, Town of Caledon, among others. Biorem is also supplying biofilters at Duffin Creek Water Pollution Control Plant Stage 3 expansion project.

Biorem is local to the greater Toronto area and headquartered in Guelph, Ontario located less than 75 minutes away from the Southeast Collector site. Their proximity to the proposed facility will ensure quick response times if required.

The financial proposal is within the pre-tender cost estimate provided by the design team.

5. FINANCIAL IMPLICATIONS

The price for the proposed equipment is \$1,215,000.00 , excluding all taxes. The 2010 Capital Budget outlines a total budget for the Southeast Collector project of \$546,087,000.00 with approved funding in 2010 of \$159,172,000.00.

6. LOCAL MUNICIPAL IMPACT

The Southeast Collector is a critical infrastructure component in ensuring adequate wastewater capacity for growth across York Region. Construction of the Southeast Collector is required to support forecast growth within the Region, as established by “Places to Grow” and reflected in the York Region Official Plan (June, 2009). The Plan establishes forecasts for reach of the area municipalities for the Plan Period. Further, as envisioned in the Province of Ontario’s Growth Plan for Greater Golden Horseshoe (2006), there will be the requirement to service a residential population of 1.5 million people and an employment population of 800,000 people by year 2031. To achieve this, a new Southeast Collector Trunk Sewer is required to carry the projected flows to accommodate growth in York Region to 2036 and beyond.

7. CONCLUSION

The proposal from Biorem was evaluated in accordance with Regional purchasing procedures. It is recommended that Biorem Technologies Inc. be engaged to undertake the design, supply, supervision of installation, commissioning, training, and warranty for a Biofilter Odour Control System for the Southeast Collector Trunk Sewer Project at an upset limit cost of \$1,215,000.00 excluding all taxes.

For more information on this report, please contact Daniel Kostopoulos, Director, Capital Planning and Delivery, Environmental Services at extension 5070.

The Senior Management Group has reviewed this report.