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PRE-PURCHASE OF BIOFILTER CONTROL SYSTEM FOR THE EXISTING YDSS BOUNDARY FACILITY

The Environmental Services Committee recommends the adoption of the recommendation contained in the following report dated September 1, 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 Control System to be installed as part of the upgrades to the existing York Durham Sewage System Boundary Facility, at a cost of \$897,000.00 exclusive of all taxes.

2. PURPOSE

This report seeks Council authorization to pre-purchase biofilter control equipment and related services for upgrades to the existing York Durham Sewage System (YDSS) Boundary Facility.

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 have been retained by the Region to provide engineering services for design of upgrades to the existing YDSS Boundary Facility. The selected technology includes an inorganic biofilter.

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

Various technologies were evaluated for suitability on this project. The design team concluded an inorganic biofilter is the appropriate technology due to the high

performance level 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 facility upgrades. 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 successful contractor under upgrades to existing YDSS Boundary Facility contract

The equipment pre-purchase contract includes an option to allow the Region to assign the contract to the successful contractor under the Upgrades to the Existing YDSS Boundary Facility 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 RFPs were advertised in the *Daily Commercial News* and electronically on *Biddingo* for design, supply, supervision of installation, commissioning, training, and warranty for a biofilter system for the Southeast Collector Trunk Sewer Project.

The biological odour control system performance was specified in the RFP 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

Three companies received the RFP documents and only one proposal was received and evaluated. Supplies and Services followed up with the other companies that obtained the RFP documents that did not submit a proposal. Responses indicate one company was a consulting firm instead of an equipment supplier and the other vendor was unable to supply the specified equipment.

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 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.

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.	52.9	30	82.9	\$897,000.00

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

Biorem proposal for supply of biofilter 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.

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

On June 24, 2010, Regional Council approved entering into a contract with Biorem Technologies Inc. for similar equipment for the new Southeast Collector project.

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

5. FINANCIAL IMPLICATIONS

The price for the proposed equipment is \$897,000.00 excluding all taxes. The 2010 Capital Budget outlines for the upgrades to the existing YDSS Boundary Facility Project an approved funding in 2010 of \$2,620,000.00.

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

6. LOCAL MUNICIPAL IMPACT

Sections of the existing Southeast Collector-YDSS are currently operating close to maximum capacity and upgrades to the Facility are required. The Boundary Facility is a critical infrastructure component of the YDSS and is necessary for ensuring adequate wastewater capacity for growth across York Region.

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 Control System for the upgrades to the existing YDSS Boundary Facility Project at an upset limit cost of \$897,000.00 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.