

Background:

Tenders for Contract ISD17-9 for the Operation & Maintenance of the Azilda and Hanmer Landfill & Waste Diversion Sites were opened at the Tender Opening Committee on March 23, 2017. The following pre-qualified bidders submitted tenders:

BIDDER	At Opening
William Day Construction	\$11,011,332.56
Future Waste Systems (Niagara) Inc.	\$8,993,728.38
Pioneer Construction Inc.	\$10,389,357.06
BM Metals Services Inc.	\$8, 888,878.11

The tenders were reviewed by the Purchasing Section. The BM Metal Services Inc. tender was automatically rejected since no Agreement to Bond was provided.

The low compliant bid was awarded to Future Waste Systems (Niagara) Inc.

Following analysis, the low compliant bid is over budget by approximately \$408,000 per year, excluding costs that are covered by the Capital Envelope. Certain costs are currently funded by the Capital envelope and only used when required. This can include costs for interim cover, hydro seeding etc.

No impact to the 2017 budget is anticipated. This is due to higher than budgeted revenues in landfill gas and the sale of blue box recyclables.

The estimated annual budget shortfall of approximately \$243,000 for the Azilda Site and \$165,000 for the Hanmer Site will be incorporated in 2018 base budget. These costs have been incorporated in the 2018 preliminary financial forecast that was presented to Council on May 16, 2017.