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The Regional Municipality of Durham
To: The Works Committee
From: Commissioner of Works
Report: 2011-WR-2
Date: February 2, 2011

SUBJECT:

Transfer and Haulage of Municipal Non-Hazardous Waste and Green Bin Organics

RECOMMENDATIONS:

THAT subject to the approval of the Finance and Administration Committee, the Works Committee recommends to Regional Council that:

- a) The Request for Tender No. T-267-2010B for transfer and haulage services of residential non-hazardous waste from the Regional Municipality of Durham to the Modern Disposal Services' Landfill in New York State be cancelled;
 - b) Works and Finance Department staff be authorized to commence sole source negotiations with the consortium of Miller Waste Systems and Waste Management Inc. for transfer and haulage services, including requirements to meet the Township of Brock Landfill Remedial Action Plan, commencing in 2011 for a term of three years ending May 31, 2014, with options to extend on a semi-annual basis for up to 24 months; and
 - c) Subject to successful negotiations the Regional Chair and Regional Clerk be authorized to execute the negotiated sole source contract.
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REPORT:

1. PURPOSE

The report identifies actions required to meet immediate operational and financial needs for transfer and haulage services for residential non-hazardous residential solid waste and Green Bin organics, and impacts due to the Township of Brock Landfill Remedial Action Plan (RAP).

2. BACKGROUND

Durham Region stopped shipping residential non-hazardous waste to Michigan for disposal on December 31, 2010 and the contract to transfer and haul waste to Michigan ended December 31, 2010.

As of January 1, 2011, Durham Region is disposing of its residential waste at the Modern Disposal Landfill in Model City, New York under tender #T-559-2009 as a contingency until Durham's EFW facility is operational. The landfill is licensed and operating in compliance with all applicable, relevant and appropriate regulatory requirements.

2.1 New Arrangement to Transfer and Haul Waste

The end of waste shipments to Michigan and the corresponding expiry of the waste transfer and haulage contract necessitated the Region to make alternate transfer and haulage arrangements.

On August 31, 2010, the Region issued Request for Tender (RFT) No. T-267-2010 for the provision of transfer station(s) to receive, load and haul non-hazardous municipal solid waste from Durham Region to Modern's New York landfill and Green Bin organics to the Miller Composting processing facility in the City of Pickering starting on January 1, 2011. Two bids were received; however, both bidders submitted non-compliant bids and the tender was cancelled.

On November 4, 2010 tender T-267-2010B was issued. It excluded Green Bin organics in order to provide for a competitive process and required the contractor to manage non-hazardous municipal solid waste received from the Region separate from all other waste types accepted at any site used under the contract. Liquidated damages were also included to ensure compliance with this requirement.

2.2 Township of Brock Landfill Remedial Action Plan (RAP) Impacts on Waste Transfer and Haulage Specifications

In October 2006, the Region received a MOE Provincial Officer's Order to develop a remedial action plan (RAP) to address off-site groundwater and surface water impacts from leachate generated at the Township of Brock (Brock) Landfill. The Order also required the development of a plan for future landfill staging and management, including the re-shaping of the landfill's slopes to mitigate storm water runoff and to minimize leachate.

Ministry of Environment approval of the Township of Brock Landfill RAP subsequent to the issuance of Tender T-267-2010B has significantly altered waste transfer and haulage requirements and therefore a re-evaluation of residential non-hazardous waste and green bin organics transfer and haulage options is required.

The re-shaping of the Brock Landfill slope will require increases to the amount of waste currently disposed of at the site by up to 60,000 additional tonnes over the next three years to create the necessary height and slope angles. The final sloping plan and tonnage requirements will be negotiated with the MOE before commencement of the work, but will significantly impact waste transfer and haulage specifications noted in the outstanding Tender T-267-2010B. The Region will need to divert waste to Brock Township landfill that would otherwise have been hauled to the Modern's Landfill site in New York for disposal.

Details of the plan to comply with the final stage of the Brock Landfill RAP will be presented in the Waste Servicing and Financing Report on February 24, 2011. In the interim a transfer and haulage agreement with the existing contractors, the consortium of Miller Waste Systems and Waste Management Inc. is necessary. Staff are recommending sole source negotiations with the consortium for transfer and haulage services, which will incorporate the new scope of work as required by the MOE for the Brock Landfill Remedial Action Plan.


3. CONCLUSION

In light of the significant developments that have occurred since the issue of Tender T-267-2010B and which have required Durham to re-evaluate its residential transfer and haulage requirements, staff recommend that Tender No. T-267-2010B be cancelled and Works and Finance Department staff commence sole source negotiations with the consortium of Miller Waste Systems and Waste Management Inc. for transfer and haulage services that will include the requirements to meet the Township of Brock Landfill Remedial Action Plan needs, commencing in 2011.

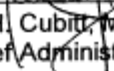
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This report has been reviewed by the Finance Department and the Commissioner of Finance concurs with the financial recommendations.


Clifford/Curtis, P.Eng. MBA,
Commissioner of Works

Recommended for Presentation to Committee


G. H. Cubitt, M.S.W.,
Chief Administrative Officer

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