

## **Tender Out For incinerator Construction**

# **Deal with Covanta does not ensure Canadian sourcing**

A Pickering councillor raised the alarm at Wednesday's Regional Council meeting, reporting that Covanta has just put out a tender for construction of the Courtice incinerator.

Councillors questioned Durham Region's Commissioner of Works, Cliff Curtis, about whether there were guidelines that Covanta must follow in the tendering process.

In his report to council last spring recommending U.S.-based Covanta as the preferred vendor to design, build and operate the (EFW) facility, Curtis listed Aecon Group Inc. which has a unionized work force, as a member of the Covanta team. Regional Council adopted Curtis' recommendation in April 2009, naming Covanta the preferred vendor. Aecon provided construction services expertise to the Covanta team in the Preferred Vendor process.

"Do we know that the EFW facility will be built by union employees like we originally thought?" Pickering Councillor Jennifer O'Connell asked Curtis at Wednesday's meeting.

The Region's contract with Covanta does not require it to use unionized labour, Curtis told council members. "It is up to them [Covanta] who they choose to hire on the site," he stated.

Oshawa Mayor John Henry asked Curtis whether, in light of the "Build in America, Keep it in America" movement south of the border, there was an opportunity during the tendering process to ask that Covanta source as much as possible in Canada.

Since the Region did not specify in its contract with Covanta that the materials be sourced in Canada, it cannot make that stipulation now, Curtis said. He suspected the major components of the EFW will be sourced in China, not America, as that is where Covanta will get the best prices. "Covanta will shop around the world and get the best price they can," he stated. The bulk goods like the gravel, steel and concrete will be sourced locally, according to Curtis.

The Region has strongly suggested to Covanta that it retain an engineer for the project who is not just familiar with the way things work in Canada, but who has some local experience: "Someone who can deal with the Municipality and the Region, and who is used to what our standards are," according to Curtis. The actual combustion engineer will likely be someone from the States, as that expertise is not available in Canada, Curtis told councillors.

From his discussions with Covanta, Clarington Mayor Adrian Foster said he found there is willingness from the company to talk to the local business community and to use their services. "Where a significant amount of money is coming from Durham taxpayers, we need to reap the benefits of that," Foster stated.