
Subject: Award of Contract 2024-T-90 - Niagara Road 12 Landfill Site Operations

Report To: Regional Council

Report date: Thursday, July 25, 2024

Recommendations

1. That Contract 2024-T-90 Niagara Road 12 Landfill site for the operations of the Waste Disposal, Residential Waste and Recycling Drop-Off Depot and Leaf and Yard Waste Compost Operations, **BE AWARDED** to the lowest compliant bidder, Future Waste System (Niagara) Inc., at the first year tender price of \$2,124,348 (including 13% HST) for a term of five (5) years, with an option in favour of Niagara Region to extend the term for up to three (3) one (1) year periods; and
2. That the Regional Chair and Regional Clerk **BE AUTHORIZED** to execute the Contract and any required documents related thereto in a form satisfactory to the Director of Legal and Court Services.

Key Facts

- The purpose of the report is to seek Council approval to award Tender 2024-T-90 to Future Waste System (Niagara) Inc. for the operations at the Niagara Road 12 Landfill site for a five (5) year contract which exceeds \$5,000,000, excluding taxes.
- In accordance with Schedule B of the Niagara Region Procurement By-law 02-2016 as amended, Council approval is required for all competitive bid awards valued in excess of \$5,000,000 excluding taxes.
- Niagara Region received two (2) bid submissions. Staff recommend awarding to Future Waste System (Niagara) Inc. as the lowest compliant bid.
- The work includes managing landfill operations for waste disposal, operating the residential waste and recycling drop-off depot, and composting of leaf and yard waste. The contractor is required to supply all labour, materials, and equipment to perform the work.

Financial Considerations

The first-year tender price of Contract 2024-T-90 is approximately \$1,913,041 (including non-recoverable HST), with a total estimated cost of \$9,955,543 (including non-recoverable HST) for the initial five (5) year term. This contract price includes an

estimated annual 2% increase based on 90% CPI Index (All-Items excluding energy) and 10% diesel fuel index.

The estimated cost to invoke the optional three (3) x one (1) year extensions at Niagara Region's discretion is approximately \$6,464,030 for a total estimated cost of \$16,419,573 (including non-recoverable HST) for all eight (8) years including an estimated annual 2% increase for CPI and diesel fuel.

The work under the contract starts September 1, 2025. Consequently, the 2025 operating budget increase for this work is anticipated to be \$183,220 (including non-recoverable HST) higher than the 2024 operating budget, for this work. The total annualized increase of \$635,953 (including non-recoverable HST) will be reflected in the 2026 operating budget.

The Niagara Road 12 Landfill site currently operates under Contract 2018-T-01, with an annual contract price of approximately \$1,277,088 (including non-recoverable HST).

Analysis

In May 2024, Niagara Region issued Tender 2024-T-90 for the Operation of the Niagara Road 12 Landfill site from September 1, 2025, to August 31, 2030, with the option to extend for three (3), one (1) year terms for a total of up to eight (8) years. The tender requires the Successful Bidder to supply all labour, materials and equipment required to operate the Niagara Road 12 Landfill site. The work includes:

- i. Receiving, compacting and disposal of waste at the landfill
- ii. Operation of the residential waste and recycling drop-off depot including hauling of waste and recyclable materials
- iii. Operations of the leaf and yard waste compost facility
- iv. Snow clearing maintenance.

The price submitted by Future Waste System (Niagara) Inc. includes provisional items for bird control and environmentally green equipment. The price also includes additional equipment and staff required occasionally during peak periods. These items are included in the first-year price of \$2,124,348 (including 13% HST), noted in Recommendation #1 of this report.

Alternatives Reviewed

Staff is recommending proceeding with the award to Future Waste Systems (Niagara) Inc., to ensure compliance with the procurement process and ensure sufficient time to procure equipment and resources, prior to the work commencing.

Relationship to Council Strategic Priorities

The recommendation to approve the award of 2024-T-90 for the operations of the Niagara Road 12 Landfill site supports Council's Strategic Priority of Effective, Green and Prosperous Region.

Other Pertinent Reports

[PW-20-2022 Niagara Road 12 Landfill site Operations Contract Extension](https://pub-niagararegion.escribemeetings.com/filestream.ashx?DocumentId=27459)

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Prepared by:

Andrew Winters
Program Manager, Waste Disposal
Operations, Waste Management
Public Works

Recommended by:

Terry Ricketts, P.Eng.
Commissioner of Public Works
Public Works Department

Submitted by:

Ron Tripp, P.Eng.
Chief Administrative Officer

This report was prepared in consultation with Andrea Wheaton, Program Financial Specialist and Brian Wilson, Legal Counsel, and reviewed by Renee Muzzell, Manager Program Financial Support, Michelle Rasiulis, Procurement Manager, Procurement & Strategic Acquisitions and Catherine Habermebl, Director, Waste Management Services.