

The Corporation of the City of Kawartha Lakes

Council Report

Report Number PUR2017-002

Date: January 10, 2017

Time: 2:00 p.m.

Place: Council Chambers

Ward Community Identifier: 9, 10, 11, 12

Subject: Tender 2016-97-CT – Replacement of Two Chemical Bulk Storage Tanks at Lindsay Water Treatment Plant

Author: Debbie Ball, Buyer

Signature: 

Co-Author: Nafiur Rahman

Signature: 

Senior Engineering Technician

Recommendation(s):

RESOLVED THAT Report PUR2017-002, **Tender 2016-97-CT, Replacement of Two Chemical Bulk Storage Tanks at Lindsay Water Treatment Plant**, be received;

THAT BGL Contractors Corp. of Waterloo be selected for the award of Tender 2016-97-CT – Replacement of Two Chemical Bulk Storage Tanks at Lindsay Water Treatment Plant for the tender price, of \$360,400.00 plus HST;

THAT Project WW1603 Thornhill Road Reservoir Venting Upgrade be closed and the debenture funding be reduced by \$326,000;

THAT an additional \$225,000 of debenture funding be approved for Project WW1604 Lindsay WTP Chemical Bulk Tank Replacement;

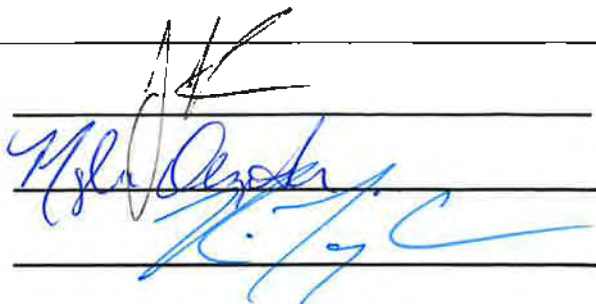
THAT subject to receipt of the required documents, the Mayor and Clerk be authorized to execute the agreement to award Tender 2016-97-CT; and

THAT Purchasing Division be authorized to issue a purchase order.

Department Head:

Corporate Services Director / Other:

Chief Administrative Officer:



Background:

Two high density polyethylene coagulant bulk storage tanks used at the Lindsay Water Treatment Plant are an integral part of the water treatment process at this facility. The coagulation process removes particulate impurities, especially non-settleable solids and colour from the water being treated. Chemicals (coagulants) are added to the raw water to cause a larger and heavier floc to develop and settle out in the sedimentation process.

Since the existing coagulant bulk tanks are showing signs of wear and near the end of their life expectancy, there is a risk of leaking. If this situation were to occur, it could cause an interruption to Lindsay's water supply and potential impact to the water treatment process causing a health and regulatory issue.

The timing of the proposed replacement work is critical and must fit in the operational schedule and needs. At the Lindsay Water Treatment Plant, two coagulants, aluminum sulphate (Alum) and polyaluminum chloride (PAC) are used. Alum is added in the summer time (temperature $>15^{\circ}\text{C}$) whereas PAC is added during the winter (temperature $<15^{\circ}\text{C}$).

Since the next chemical switchover (from PAC to Alum) will be done at the end of May 2017, the replacement work has been planned to start in the middle of January 2017 and to be completed in May 2017. Works to be undertaken will include installation of temporary bulk storage system, decommissioning of existing bulk tanks, relocating and reinstating of process piping and accessories, and repair and recoating of the tank containment area.

Tender 2016-97-CT was prepared and advertised in accordance with the Purchasing Policy.

Tender 2016-97-CT closed on Thursday, December 1, 2016 and was opened in public by Jane Pyle, EA to the CAO and Debbie Ball, Buyer.

Results of Opening:

Tender Received From	Total Tender Amount (including HST) As Read at the Public Opening
BGL Contractors Corp. Waterloo	\$407,252.00
Baseline Constructors Inc. Waterloo	\$437,875.00
Peak Engineering & Construction Ltd. Colborne	\$459,345.00
LCD Mechanical Inc. Maple	\$519,663.300

All tenders received were compliant to the tender's requirements.

Rationale:

Staff recommends the award to the lowest, compliant tender received from BGL Contractors Corp. of Waterloo, Tender 2016-97-CT– Replacement of Two Chemical Bulk Storage Tanks at Lindsay Water Treatment Plant at the tender price, of \$360,400.00 plus \$46,852.00 HST for a total tendered amount of \$407,252.00.

Other Alternatives Considered:

No other alternative is being considered based on the fact that a competitive procurement process was followed and the lowest, compliant tender is being recommended and funds are available.

Financial Considerations:

Funds for the replacement of two chemical bulk storage tanks at the Lindsay Water Treatment Plant are noted in the table below. Currently, the approved amount in the Water Wastewater project code is not sufficient to complete this work.

Staff have reviewed other projects that are complete that have funding available to allow this work to be completed. Staff recommend that Project WW1603 Thornhill Road Reservoir Venting Upgrade be closed and the approved debenture funding be reduced by \$326,000. This will allow for Project WW1604 Lindsay WTP Chemical Bulk Tank Replacement to have an increase in debenture funding to address the shortfall in the amount of \$225,000.

Capital Project	Capital Project Budget	Other Committed Funds*	Capital Project Balance	Tender Amount (incl. HST)	HST Rebate	10% Contingency	Total Tender Cost	Remaining Budget
WW1604	\$310,000	\$114,504	\$195,496	\$407,252	(\$40,509)	36,040	\$402,783	(\$207,287)

* Other committed funds include design, construction administration and inspection services by the consultant and internal staff time / wages.

Water and wastewater capital projects do not close with a surplus, only the amount required is funded based on costs incurred. Therefore these projects will close with a zero balance in the capital close report.

Relationship of Recommendation(s) To The 2016-2019 Strategic Plan:

Tender 2016-97- CT – Replacement of Two Chemical Bulk Storage Tanks at Lindsay Water Treatment Plant aligns with the Corporate Strategic Goals "A Vibrant and Growing Economy", "An Exceptional Quality of Life", and "A Healthy Environment".

This Water Capital Project directly aligns with these strategic goals by:

- Enabling efficient infrastructure and asset management;
- Priority Action – Protect and Enhance Water Quality

Review of Accessibility Implications of Any Development or Policy:

Not applicable

Servicing Comments:

Not applicable.

Consultations:

Laurie Lawder, Financial Coordinator, Public Works and Community Services
Mazahir Alidina, PhD, EIT, WSP Canada Inc.

Attachments:

Not applicable.

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Department Head: Juan Rojas, Director of Engineering & Corporate Assets
Department File: Tender 2016-97-CT