

The Corporation of the City of Kawartha Lakes
Council Report

Report Number PUR2018-023

Date: June 5, 2018
Time: 2:00 p.m.
Place: Council Chambers

Ward Community Identifier: 6 and 7

Title: Quotation 2018-52-OQ Removal, Haulage and Disposal of Biosolids at the Fenelon Falls and Bobcaygeon WPCP

Author and Title: Marielle van Engelen, Buyer
Robert MacPherson, Water/Wastewater Technician

Recommendation(s):

That Report PUR2018-023, **Quotation 2018-52-OQ Removal, Haulage and Disposal of Biosolids at the Fenelon Falls and Bobcaygeon WPCP** (Water Pollution Control Plant), be received;

That Shepherd Enterprises Inc. (Shepherd Environmental Services) of Coboconk be selected for the award for the removal, haulage, storage and spreading of biosolids from the Bobcaygeon Water Pollution Control Plant (WPCP) and the Fenelon Falls WPCP for an initial two year term, for a total quoted estimated amount of \$497,466.00, not including HST;

That Council approve the three (3) – one (1) year renewal periods included in the quotation, with a unit price increase according to the Canadian Consumer Price Index percentage change, pending successful vendor performance review and annual budget approval;

That subject to receipt of the required documents, the Mayor and City Clerk be authorized to execute the agreement to award Quotation 2018-52-OQ Removal, Haulage and Disposal of Biosolids at the Fenelon Falls and Bobcaygeon WPCP; and

That the Purchasing Division be authorized to issue a purchase order(s) as required.

Department Head: _____

Financial/Legal/HR/Other: _____

Chief Administrative Officer: _____

Background:

The City of Kawartha Lakes owns both the Fenelon Falls WPCP and the Bobcaygeon WPCP, with the Ontario Clean Water Agency (OCWA) being the accredited Operating Authority. Neither plant has the provisions for on-site storage or means of disposal for biosolids produced at each plant. Biosolids are organic matter removed from the wastewater stream during the treatment process and is a critical step before the treated water can be discharged back into the environment. Biosolids are generally removed from the WPCPs on a monthly basis and are land applied on pre-approved sites during permitted time periods of the year (there is no biosolids land application permitted between December 1st and March 31st as per regulatory requirements under the Nutrient Management Act). During non-permitted periods for land application the biosolids are stored at an approved biosolids storage facility.

Quotation 2018-52-OQ Removal, Haulage and Disposal of Biosolids at the Fenelon Falls and Bobcaygeon WPCP was released for advertising in accordance with the Purchasing Policy. Prior to commencement of applying biosolids from the Fenelon Falls and Bobcaygeon WPCPs the selected vendor must have prior approval from the Ontario Ministry of Agriculture, Food and Rural Affairs (OMFRA) for the selected vendor's Non-agricultural Source Material (NASM) Plan. Estimated approval times can take up to four (4) months.

The Quotation closed on May 17, 2018 and was opened in public by Andy Letham, Mayor and Marielle van Engelen, Buyer, with the following results:

Quotation Received From	Total Quotation Amount Read at Public Opening (excluding HST)
Shepherd Enterprises Inc. (Shepherd Environmental Services) Coboconk, ON	\$497,466.00
Region of Huronia Environmental Services (2013) Ltd. (ROHES (2013) Ltd.) New Lowell, ON	\$1,117,600.00

Submissions were checked for compliancy to the quotation document and for mathematical errors. References were checked and found to be favorable.

Rationale:

The current agreement expires December 31, 2018 and there are no in-house options to perform this service. It is vital to the wastewater facilities to have their biosolid waste removed from site in order to operate the plants in compliance with their Environmental Compliance Approval.

Staff recommends that Shepherd Enterprises Inc. (Shepherd Environmental Services) of Coboconk be selected for the award for the removal, haulage, and storage and spreading of biosolids from the Bobcaygeon and Fenelon Falls WPCPs for a two (2) year term. The proposed price includes a basic charge for removal, haulage, spreading and storage of biosolids for a quoted estimated amount of \$497,666.00 plus HST for the initial two (2) year term. The quoted amount is calculated using the quoted unit prices and the estimated annual volume of biosolids provided in the quotation document. The actual costs each year will be based on the actual volume of biosolids produced and hauled and will be charged at the set unit prices in the quotation. Three (3) – one (1) year renewal periods were included in the quotation, with a unit price increase according to the Canadian Consumer Price Index percentage change, pending successful vendor performance review and annual budget approval.

Other Alternatives Considered:

No other alternatives are being considered as the recommendation to award was achieved through an open, fair and transparent competitive procurement process.

Financial/Operation Impacts:

The Public Works department will ensure that costs for these services are incorporated in the proposed Water and Wastewater Operating Budget for each year of the contract. Annual operating budget amounts will be calculated using the unit prices provided in the quotation and the estimated volumes of biosolids for each year, which varies based on flows and operating conditions. The initial two year term of the contract is for the period of January 1, 2019 to December 31, 2020 with three (3) one (1) year optional renewal periods.

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

This Report contributes to the Council Adopted Strategic Plan in the following ways:

- a. This report directly addresses “*Goal 1 – A Vibrant and Growing Economy; Objective 1.1: A stronger more diversified economy*” of the Strategic Plan.

Awarding the contract to a local business that employs a number of staff from within the City of Kawartha Lakes promotes a stronger economy within CKL.

- b. This report directly addresses “*Goal 3 – A Healthy Environment; Objective 3.1: A healthier environment; Action 3.1.6: Protect & enhance water quality*” of the Strategic Plan. The removal of biosolids from the WPCPs in question allows for the plants’ treatment process to work effectively and efficiently. This in turn ensures the treated water’s quality is maintained, while protecting the overall community’s environment and health.
- c. This report relates to “*Enabler 4: Objective 3: Environmentally efficient municipal infrastructure*” of the Strategic Plan. The removal of biosolids allows the facilities to meet effluent parameter limits set by the MOECC. Discharge limits are set to ensure discharged effluent will cause no significant impacts to the surrounding environment.

Department Head E-Mail: brobinson@kawarthalakes.ca

Department Head: Bryan Robinson, Director of Public Works

Department File: 2018-52-OQ