

The Corporation of the City of Kawartha Lakes

Council Report

Report Number PUR2020-018

Meeting Date: September 15, 2020

Title: **Single Source**

Description: **Construction Management and SCADA Integration Services for the Lindsay Water Pollution Control Plant Upgrade and Expansion – Phase 1**

Ward Number: Ward 5

Author and Title: Linda Lee, Buyer
Nafiur Rahman, Senior Engineering Tech.

Recommendation(s):

That Report PUR2020-018, **Single Source –Construction Management and SCADA Integration Services for the Lindsay Water Pollution Control Plant (WPCP) Upgrade and Expansion**, be received;

That Council authorize the single source purchase to CIMA Canada Inc. of Bowmanville, for the Construction Management of the upgrade and expansion at the Lindsay Water Pollution Control Plant for the total amount of \$997,800.00 not including HST;

That Council authorize the single source purchase to WSP Canada Inc. for the SCADA Integration Services for the Lindsay Water Pollution Control Plant upgrades for the total amount of \$72,850.00 not including HST;

That the Mayor and Clerk be authorized to sign the agreement;

That the Procurement Division be authorized to issue a purchase order.

Department Head:_____

Financial/Legal/HR/Other:_____

Chief Administrative Officer:_____

Background:

Following the completion of a Municipal Class Environmental Assessment (EA) study completed in 2015, the City of Kawartha Lakes hired the consulting firm CIMA Canada Inc. to carry out the detailed design for the Phase-1 upgrades to the Lindsay Water Pollution Control Plant (WPCP). These upgrades are to address the existing operational issues and increase the rated capacity from 21,500 m³/day to 24,500 m³/day as per recommendation in the EA study.

The City received an Order from the Province, for repeated exceedance of the MECP (Ministry of the Environment, Conservation and Parks) compliance limit for low TAN (Total Ammonia Nitrogen) levels in the effluent for the Lindsay WPCP. The City requested a further review and the MECP stayed the order and allowed additional time to complete the required upgrades and meet effective and compliant effluent criteria for the WPCP.

CIMA was awarded the design of the upgrades in 2018 through the following Council Resolution:

That Report PUR2018-030, **2018-57-CP Engineering and Design Services for Lindsay WPCP Upgrades – Phase 1**, be received;

That CIMA Canada Inc., of Bowmanville, be awarded 2018-57-CP Engineering and Design Services for Lindsay WPCP Upgrades – Phase 1, as the highest scoring Proponent;

That subject to receipt of the required documents, the Mayor and Clerk be authorized to execute the agreements to award the contract; and

That the Purchasing Division be authorized to issue a Purchase Order.

CR2018-434

Five companies were pre-qualified through a competitive process to bid on the construction. RFQ 2020-44-CQ Lindsay WPCP Phase 1 Upgrade and Expansion closed on September 2, 2020 with the following results:

Company	Amount Quoted
Bennett Mechanical Installations (2001) Ltd.	\$18,107,000.00
Kenaidan Contracting Ltd.	\$19,901,300.00
Peak Construction Group Ltd	\$21,433,900.00
Graham Construction and Engineering	\$22,307,625.00

Rationale:

CIMA Canada Inc. is responsible for the preliminary design, detailed design and quotation ready specifications. They are very familiar with the project details and the site, and given the size and complexity of this project it would be beneficial for the City to minimize the risk and additional costs by engaging CIMA to further manage the construction of the treatment plant upgrades. Staff requested CIMA to provide a fee proposal to undertake construction management of the project, which is attached as Appendix A.

Staff recommend that Council authorize the single source purchase to CIMA Canada Inc. for the Construction Management of the upgrade and expansion of the Lindsay Water Pollution Control Plant at a total cost of \$997,800.00 not including HST. Based on the pricing submitted above, CIMA's proposed fees for the provision of services during construction represents less than 6% which is within the typical industry range for specialized projects of this nature.

WSP Canada Inc. is a preferred system integrator for the City and is familiar with the Lindsay Water Pollution Control Plant. They provide the system integration services for the city-wide water and wastewater facilities. Staff requested WSP to provide a fee proposal to undertake the integration services of the project which is attached as Appendix B.

Staff recommend that Council authorize the single source purchase to WSP Canada Inc. for the SCADA integration services at the Lindsay Water Pollution Control Plant at a cost of \$72,850.00 not including HST.

Other Alternatives Considered:

No other alternatives are being considered as the City's Purchasing Policy allows for a single source to ensure standardization and compatibility with existing services.

Financial/Operation Impacts:

Project 998200201	Project Budget	Other Committed Funds *see below	Project Balance	Purchase Amount (excl. HST)	Contingency	HST Payable	Total Amount	Project Balance
CIMA Canada Inc	\$22,400,000	\$200,000	\$22,200,000	\$997,800	\$149,670	\$20,196	\$1,167,666	\$1,600,101
WSP Canada Inc				\$72,850	\$10,928	\$4,475	\$85,252	
Bennet Mechanical Installations				\$18,107,000	\$907,350	\$334,631	\$19,346,981	
Totals	\$22,400,000	\$200,000	\$22,200,000	\$19,177,650	\$1,065,948	\$356,301	\$20,599,899	\$1,600,101

Other committed funds include staff time.

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.

Upon completion of the work, any remaining surplus or deficit will be dealt with through the Capital close report presented to Council by the Treasure Department in accordance with the Capital Close Policy.

Relationship of Recommendation(s) To The 2020-2023 Strategic Plan:

The recommendations set out in this Report conserve our resources for actions that would support the following priorities in the Strategic Plan, being:

- A Vibrant and Growing Economy
- An Exceptional Quality of Life
- A Healthy Environment

Consultations:

Junior Accountant

Attachments:

Appendix A – CIMA Canada Inc. fee proposal

Appendix B – WSP Canada Inc. fee proposal



Appendix A - CIMA
fee proposal



Appendix B - WSP fee
proposal

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Department Head: Juan Rojas, Director of Engineering and Corporate

Assets