



FORMAL REPORT

To:	Mayor Stratthdee and Members of Council
Prepared by:	Dave Blake, Environmental Services Supervisor
Date of Meeting:	22 May 2018
Subject:	PW 34-2018 Centrifuge Rebuild

PURPOSE

The purpose of this report is to gain Council's approval to procure services for the maintenance rebuild of the centrifuge unit at the Wastewater Treatment Plant.

RECOMMENDATION

THAT Report PW 34-2018 Centrifuge Rebuild be received; and

THAT the Sole Source procurement of maintenance rebuild services be awarded to Alpha Laval in the amount of \$46,678.44; and

THAT By-Law 51-2018 authorizing the Mayor and Clerk to sign the associated agreement be approved.

BACKGROUND

In circa 2009, the Town commissioned a large capital project at the Wastewater Treatment Plant (WWTP) which consisted of a major process change and large scale modifications to the Biosolids handling process (i.e. Lystek). One of the main components of the Biosolids handling system is the centrifuge unit, which is utilized to remove liquids from the material to create a thicker end product.

The centrifuge is a priority component of the Biosolids handling system, and routine maintenance is required in order to ensure its continued operation.

REPORT

Staff would like to proceed with the procurement of services for the maintenance rebuild of the centrifuge at the WWTP as included in the 2018 capital budget.

Section 9.1(b)(vi) allows for Council to approve direct procurement of services "when a single source is being recommended because it is more cost effective or beneficial to the Town". Staff is requesting to sole source the maintenance work on the centrifuge to Alpha Laval whom is the current service provider and original equipment supplier of the unit. Their knowledge of the unit, its installation and history at the Site is viewed as beneficial to the Town.

Ontario Clean Water Agency has been working with Alpha Laval and other interested parties to provide a quote for the maintenance rebuild of the centrifuge unit. The following provides an overview:

Procurement Information	Details and Results
Proponent:	Alpha Laval
Approved Project Budget:	\$45,000.00
Cost Result – Successful Bid (Inc. Net of HST rebate):	\$46,678.44
Project Over-budget	\$1,678.44

SUMMARY

Per Section 9.1(b)(vi) of the procurement by-law, staff are recommending direct procurement of services for the maintenance rebuild of the centrifuge at the WWTP to Alpha Laval. This is viewed as being beneficial to the Town due to the company's unique and direct knowledge of the unit as a result of being the current service provider, as well as original equipment supplier.

FINANCIAL IMPLICATIONS

The estimated cost to complete the centrifuge rebuild is \$46,678.44, inclusive of contingency and net of the HST rebate. This project (Capital Project No. 9406) has an approved budget of \$45,000.00. This represents a potential budget overage of \$1,678.44.

Due to the unknown condition of internal wear parts, a contingency has been added to the above noted project cost to help guard against unknown or unforeseen expenses which has resulted in the value slightly above budget. Overages, if any would be funded via the wastewater reserve.

STRATEGIC PLAN

☒ Not applicable to this report.

OTHERS CONSULTED

Renee Hornick, Senior Operations Manager – Ontario Clean Water Agency

ATTACHMENTS

Not Applicable


REVIEWED BY

Recommended by the Department


 Dave Blake, C.E.T.
 Environmental Services Supervisor


 Jed Kelly
 Director of Public Works

Recommended by the CAO


 Brent Kittmer
 CAO / Clerk