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Staff Report

Infrastructure & Public Works

Report To: Committee of the Whole
Meeting Date: April 24, 2017
Report Number: CSPW.17.047
Subject: Craigleith Main Sewage Lift Station Card Swipe Equipment Upgrades Sole Source Procurement
Prepared by: Reg Russwurm, MBA, P.Eng., Director of Infrastructure & Public Works

A. Recommendations

THAT Council receive Staff Report CSPW.17.047 entitled, "Craigleith Main Sewage Lift Station Card Swipe Equipment Upgrades Sole Source Procurement";

AND THAT Council approve the sole source procurement of swipe card equipment at the Craigleith Main Sewage Lift Station from Envirocan Wastewater Treatment Company Ltd. at an upset cost of \$28,347 excluding HST.

B. Overview

The existing swipe card equipment at the Craigleith Main Sewage Lift Station (Craigleith SLS) is outdated and has recently become inoperable. The replacement equipment is essential to the ongoing operation of and cost recovery at the hauled waste receiving station, and is carried exclusively by Envirocan Wastewater Treatment Company Ltd. (Envirocan). Staff request the sole source procurement of the swipe card equipment which will be funded from the approved 2016 Hauled Waste Receiving Station Upgrades capital budget.

C. Background

The swipe card equipment at the Craigleith SLS was installed in 2007 by Envirocan and plays an integral administrative role in the SLS's operation. The swipe card equipment is used to track the time haulers spend unloading at the Craigleith SLS in addition to the total cubic meters received. The 2016 budget for the Hauled Waste Receiving Station included the option to replace the swipe card equipment at the Craigleith SLS. The existing equipment has recently become inoperable making daily operations difficult. The Craigleith SLS utilizes unloading equipment that is sourced from JWC Environmental (JWC) and its subsidiary Envirocan.

D. Analysis

It is important that Staff replace 'like for like' because this swipe card equipment is integrated with the existing unloading equipment. To replace the swipe card equipment with equipment from a different supplier would include significant integration costs to ensure compatibility with the existing unloading equipment (including the replacement of functioning relays, printers, etc.).

Included as Attachment #1 is verification from JWC that they are the sole manufacturer of this type of unloading and swipe card equipment (the Honey Monster Receiving Equipment). The Purchasing of Goods and Services Policy states that sole source procurement is permitted when:

1. One supplier/contractor possessing the unique ability of capability to meet the requirements of the Town due to a patent, sales/distributor agreement or copyright; and,
2. The supply relates to necessary unique replacement parts from an exclusive source of supply.

Table 1 below details the cost breakdown to supply the swipe card equipment at the Craigeith SLS. Including a contingency, the replacement of this equipment and the installation of a new actuator valve will cost \$28,387. This price also includes an allowance for the Town's SCADA integrator to provide programming for this equipment to send reports between the Craigeith SLS and the Craigeith Wastewater Treatment Plant.

Table 1: Cost for Swipe Card Upgrades

Item No.	Service	Cost
1	Ethernet Protocol Conversion Module	
	Thermal Printer for Receipts	
	Printer Gasket Seal for NEMA 4X Rating	\$ 9,800
	Miscellaneous Cables and Wiring	
	Factory Programming and Design	
2	Wiring and Installation	\$ 6,500
3	50 Replacement Swipe Cards	\$ 250
4	Plant Integration	\$ 1,450
6	Actuator Valve Replacement	\$ 8,374
5	Contingency	\$ 2,000
		TOTAL: \$28,374

To minimize the cost and effort of replacing the existing equipment, Staff recommend that Council approve the sole source procurement of swipe card equipment at the Craigeith Main Sewage Lift Station from Envirocan Wastewater Treatment Company Ltd at an upset cost of \$28,347 excluding HST.

E. The Blue Mountains Strategic Plan

Goal #5: Ensure Our Infrastructure is Sustainable

F. Environmental Impacts

N/A

G. Financial Impact

The 2016 approved budget carries \$220,000 for work related to the hauled waste receiving station. This budget, which is sourced from reserve funds, has since been deferred however, prior to deferral Staff received Council endorsement to allocate \$29,000 from the Craighleith Hauled Waste Receiving Station budget to cover the cost of the replacement works.

H. In consultation with

Sam Dinsmore, Deputy Treasurer/Manager of Accounting & Budgets

Serena Wilgress, Manager of Purchasing & Risk Management

Ruth Prince, Director of Finance & IT Services/Treasurer

I. Attached

1. Letter from David Barkley of JWC Environmental, "Sole Source Waiver of Bid" dated March 28, 2017

Respectfully submitted,

Reg Russwurm

Reg Russwurm, MBA, P.Eng
Director of Infrastructure and Public Works

For more information, please contact:

Reg Russwurm

rrusswurm@thebluemountains.ca

519-599-3131 ext. 260



Date: Mar 28, 2017

Town of Blue Mountains

Subject: Sole Source Waiver of Bid

Regarding the Honey Monster Septage Receiving equipment installed at the Craigeith SPS, please note the following.

JWC Environmental is the inventor and owner of the Muffin Monster®, Channel Monster®, Auger Monster®, Screenings Washer Monster®, Honey Monster® and Monster Screening Systems®. We hold numerous patents and trademarks on these products.

JWC Environmental is the sole manufacturer of these products and the exclusive source for service parts for this equipment.

Envirocan Wastewater Treatment Equipment Co. Ltd. of Woodbridge, Ontario is the exclusive JWC Environmental distributor/representative for the Canadian Provinces of Ontario, Manitoba, and the territory Nunavut. Their main phone number is 905-856-1414.

Please feel free to contact me at **(1-800-331-2277)** or **(daveb@jwce.com)** if we can provide any additional information

Sincerely,

David Barkey Sales Operations Manager - West