TO:	**CHAIR AND MEMBERS CIVIC WORKS COMMITTEE MEETING OF MONDAY MARCH 3, 2014**
FROM:	**JOHN BRAAM, P.ENG. MANAGING DIRECTOR, ENVIRONMENTAL & ENGINEERING SERVICES & CITY ENGINEER**
SUBJECT:	**SINGLE SOURCE PURCHASE OF A REPLACEMENT PUMP AT SPRINGBANK PUMPING STATION EW3409-13**

RECOMMENDATION

That, on the recommendation of the Managing Director, Environmental & Engineering Services & City Engineer, the following actions **BE TAKEN** with regards to the purchase of a replacement pump at the Springbank Pumping Station in accordance with section 14.4(d) of the Procurement of Goods and Services Policy:

(a) The quote of $93,380.00, excluding HST, as submitted by Flowserve US, Inc., 5310 Taneytown Pike, Taneytown, Maryland, U.S.A., 21787, **BE ACCEPTED;**

(b) the financing for this project **BE APPROVED** as set out in the Sources of Financing Report attached hereto as Appendix "A";

(c) the Civic Administration **BE AUTHORIZED** to undertake all the administrative acts that are necessary in connection with this purchase;

(d) the approval given herein **BE CONDITIONAL** upon the Corporation entering into a formal contract or issuing a purchase order relating to the subject matter of this approval.

BACKGROUND

Purpose

This report has been prepared to provide background information and receive approval to purchase a replacement pump for the Springbank Pumping Station. The replacement of the existing pump to match the largest pump will increase the reliability of the pumping station allowing one pump to be maintained while the other pump is operating. Acquiring the funds indicated in this report will allow the existing pump to be replaced and upgraded to a pump that is identical to the largest pump currently in operation in the pumping station.

Context

In 2003, the Springbank Pumping Station was expanded by adding Pump No. 8, a 125hp variable speed vertical turbine pump, to the three existing fixed speed 75hp pumps (Pumps No. 5, 6 & 7). Flowserve US Inc. was the supplier of this pump, and based on studies conducted by the consulting engineer, in order to continue with the upgrade and improve reliability of the pumping station, Pump No. 6 should be replaced to match Pump No. 8. Utilizing a variable speed drive to adjust to water demand in the system, Pump No. 8 has been operating continuously to deliver water to our water distribution system since it was commissioned. Replacing and upgrading Pump No. 6 will give staff the option to alternate between two 125hp pumps, allowing preventative maintenance to be performed on one pump while the other is in operation, reducing the risk of pump failure.

Discussion

The quote obtained from Flowserve US Inc. incorporates the cost of the pump, spare parts, shop drawings, cost of delivery, supervision of installation, operator training, and start-up and commissioning of the pump.

Having utilized the same pump and services from Flowserve US Inc. previously when Pump No. 8 was installed, it is of best value to the City to use them as a supplier for upgrading Pump No. 6. The main advantages of this single source purchase are that the spare parts for Pump No. 6 and Pump No. 8 are interchangeable and operations staff is familiar and knowledgeable with the operation of the desired pump. As a result of their expertise and experience with supplying pumps for the Springbank Pump Station, staff recommends the purchase of the required pump be from Flowserve US Inc. under the Procurement of Goods and Services Policy clause 14.4(d).

The proposal from Flowserve US Inc. for $93,380.00, excluding HST, outlines the general terms and conditions as well as the technical specifications of the pump which is proposed to meet the operating parameters of the system. The pump is being ordered by the City at this time since fabrication and delivery will take 26 to 30 weeks from the requested date. An installation contract will be tendered in the summer of 2014 for installation in the fall of 2014.

Conclusions

Staff recommends the amount of $93,380.00, excluding HST, be awarded to Flowserve US, Inc. for the supply, delivery, supervision of unloading and installation, operator training, commissioning and testing of a vertical turbine pump which will replace and upgrade an existing pump in the Springbank Pumping Station.

Acknowledgements

This report was prepared with the assistance of Kevin Graham, Engineer-in-Training in Water Engineering.

PREPARED BY:	**RECOMMENDED BY:**
ROLAND WELKER, P.ENG. **DIVISION MANAGER, WATER ENGINEERING**	**JOHN BRAAM, P.ENG.** **MANAGING DIRECTOR, ENVIRONMENTAL & ENGINEERING SERVICES & CITY ENGINEER**
REVIEWED & CONCURRED BY:	**REVIEWED & CONCURRED BY:**
MARTIN HAYWARD **MANAGING DIRECTOR, CORPORATE SERVICES & CITY TREASURER, CHIEF FINANICIAL OFFICER**	**JOHN LUCAS, P.ENG.** **DIRECTOR, WATER AND WASTEWATER**

February 11, 2014

Attached: Appendix “A” - Sources of Financing

CC: John Simon, Division Manager, Water Operations
John Freeman, Manager, Purchasing and Supply Chain
Geoff Smith, Procurement Officer, Purchasing and Supply Chain