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TO:	CHAIR AND MEMBERS CIVIC WORKS COMMITTEE MEETING ON SEPTEMBER 22, 2014
FROM:	JOHN LUCAS, P.ENG DIRECTOR-WATER AND WASTEWATER
SUBJECT:	UV DISINFECTION EQUIPMENT PARTS &SERVICE SINGLE SOURCE

RECOMMENDATION

That, on the recommendation of the Director - Water and Wastewater, Trojan Technologies **BE APPROVED** as the parts and service supplier for the City's Wastewater UV disinfection equipment.

PREVIOUS REPORTS PERTINENT TO THIS MATTER
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- BNEC – July 18, 2011 - An Agreement to Use the Decommissioned Westminster Wastewater Treatment Plant for Research and Development Testing.

BACKGROUND

Purpose:

To seek Council approval to continue with the maintenance services provided by Trojan Technologies for the UV disinfection equipment at all of London's wastewater treatment plants in exchange for Trojan's use of the decommissioned Westminster Wastewater Treatment Plant. This is a Single Source Contract under section 14.3 d) & e) of the City's Procurement of Goods and Services Policy.

Discussion:

The City has a ten (10) year agreement granting Trojan Technologies the use of the Westminster Treatment Plant for Research and Development purposes. In exchange Trojan will provide up to \$30,000 annually in labour towards maintenance of the City's UV disinfection equipment plus a 30% discount off the list price on parts. The discount applies to parts supplied directly through Trojan technicians and to those ordered and inventoried through the City's Stores system. The agreement for the use of the Westminster Plant expires in 2021 and includes respective termination options. London has Trojan UV disinfection systems at each of the five (5) operational plants.

Continuing with the agreement offers value to the City through access to Trojan's local factory trained service technicians, reduced labour costs and the supply of discounted parts.

Financial Impacts:

Larger expenses such as rebuilds and commissioning will be funded through the annual capital replacement program account ES5084 and smaller amounts will be funded through the respective plant operating accounts. The total annual expense will not exceed \$150,000.

Conclusion:

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Based on Trojan’s provision of up to \$30,000 annually in labour and a 30% discount on parts, it is recommend that the City continue to use Trojan Technologies to supply parts and service for the maintenance of City’s UV disinfection equipment. Trojan will provide these services for the duration of the agreement covering their use of the Westminster Treatment Plant for Research and Development purposes as previously endorsed by Council.

Acknowledgements:

This report was prepared with the help of Nancy Moore-Hayter, Manager of Purchasing Operations

PREPARED BY:	RECOMMENDED BY:
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REVIEWED & CONCURRED BY:	
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