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TO:	CHAIR AND MEMBERS CIVIC WORKS COMMITTEE MEETING ON JANUARY 6, 2015
FROM:	JOHN BRAAM, P.ENG MANAGING DIRECTOR, ENVIRONMENTAL & ENGINEERING SERVICES, AND CITY ENGINEER
SUBJECT	SS12-27 SINGLE SOURCE CONTRACT FOR THE SUPPLY AND DELIVERY OF CHEMICAL LIME

RECOMMENDATION

That, on the recommendation of the Managing Director, Environmental and Engineering Services & City Engineer, the following actions **BE TAKEN** with respect to the Supply and Delivery of Chemical Lime at the Greenway Wastewater Treatment Plant:

- a) the approval **BE GIVEN** to enter into a two (2) year Single Source contract with Carmeuse Lime (Canada) Inc., including an option for three (3) additional years for the Supply and Delivery of Chemical Lime to the Greenway Wastewater Treatment Plant;.
- b) the Civic Administration **BE AUTHORIZED** to undertake all the administrative acts that are necessary in connection with this contract;
- c) the approval given hereby **BE CONDITIONAL** upon the Corporation negotiating satisfactory prices, terms and conditions with Carmeuse Lime (Canada), Inc. to the satisfaction of both the City Treasurer and the Managing Director, Environmental and Engineering Services & City Engineer;
- 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 and,
- e) the Mayor and City Clerk **BE AUTHORIZED** to execute any contract or other documents, if required, to give effect to these recommendations.

BACKGROUND

Purpose

To provide the City Engineer and City Treasurer with the authority to negotiate a material supply contract from a single source.

Discussion

Biosolids generated at London’s wastewater treatment plants are normally incinerated in the fluidized bed incinerator located at the Greenway plant. When the incinerator is taken down for maintenance a lime stabilization process is used prior to disposal at the City’s landfill site. Lime stabilization of the sludge significantly reduces odours along the haul route and at the landfill site, and also reduces handling problems at the landfill. A reliable lime supply is needed to ensure this system can operate when needed.

The lime usage volume has decreased since commissioning of a new biosolids centrifuge system, and the incinerator is currently running relatively well. Lime usage in the past year was \$29,730.00, down from the previous year usage of \$31,700.00, and the year before, which was \$49,000.00. However, there is an incinerator shutdown scheduled for 2015 that will have the incinerator offline for approximately one to two months (maximum); lime usage will increase because of this at a projected cost of \$75,000.00.

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Carmeuse Lime (Canada), Inc. 11 Stanwix Street, 21st Floor, Pittsburgh, PA, 15222 has been the only bidder in previous tender calls for the supply of lime, and has been a single source supplier to the City for several years. Carmeuse Lime (Canada), Inc. has been able to meet the City's terms, conditions and specifications in all areas and the City is not aware of any new entrants to the lime supply market. Carmeuse has provided excellent past service and it is believed that securing a contract with Carmeuse Lime (Canada), Inc. is the best overall supply option at this time.

This report recommends offering a new two (2) year contract with an option for three (3) additional years to Carmeuse Lime (Canada), Inc. to meet forecasted needs.

Financial Impact

The funding for this contract is provided in the approved operating budget.

There are no anticipated additional operating costs associated with this purchase.

Acknowledgements

This report was prepared with the assistance of Mark Spitzig, Manager of Operations - WTO, and Steve Mollon, Procurement Specialist.

SUBMITTED BY:	REVIEWED BY:
GEORDIE GAULD DIVISION MANAGER, WASTEWATER & TREATMENT/ POLLUTION CONTROL OPERATIONS	JOHN LUCAS, P. ENG DIRECTOR, WATER WASTEWATER & TREATMENT
RECOMMENDED BY:	CONCURRED BY:
JOHN BRAAM, P.ENG MANAGING DIRECTOR, ENVIRONMENTAL & ENGINEERING SERVICES & CITY ENGINEER	JOHN FREEMAN MANAGER, PURCHASING AND SUPPLY