

TO:	CHAIR AND MEMBERS CIVIC WORKS COMMITTEE MEETING ON SEPTEMBER 26, 2017
FROM:	KELLY SCHERR, P.ENG, MBA, FEC MANAGING DIRECTOR OF ENVIRONMENTAL & ENGINEERING SERVICES & CITY ENGINEER
SUBJECT:	WASTEWATER PUMPING STATION VARIABLE-FREQUENCY DRIVE REPLACEMENTS

RECOMMENDATION

That, on the recommendation of the Managing Director of Environmental and Engineering Services & City Engineer, the following actions **BE TAKEN** with respect to split award for the supply, configuration, and installation of variable-frequency drives in the Adelaide, Berkshire, Hunt Club, Medway and Summercrest Pumping Stations.

- (a) The price submitted by Hardie Industrial Services, 594 Newbold Street, London, ON N6E 2W9 of \$190,479.70 excluding HST, to supply, configure and install variable-frequency drives at Berkshire and Medway pumping stations **BE ACCEPTED**;
- (b) The price submitted by Selectra Inc., 750 Douro Street, Stratford, ON N5A 0E3 of \$227,790.10 excluding HST, to supply, configure and install variable-frequency drives at Adelaide, Hunt Club and Summercrest pumping stations **BE ACCEPTED**;
- (c) The financing for these acquisitions **BE APPROVED** as set out in the Sources of Financing Report attached hereto as Appendix "A";
- (d) The Civic Administration **BE AUTHORIZED** to undertake all administrative acts that are necessary in connection with this project;
- (e) The approvals given herein **BE CONDITIONAL** upon the Corporation entering into a formal contract or issuing a purchase order for the work to be done relating to this project; and,
- (f) The Mayor and City Clerk **BE AUTHORIZED** to execute any contract or other documents, if required, to give effect to these recommendations.

PREVIOUS REPORTS PERTINENT TO THIS MATTER
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2017-06-07 SR - Infrastructure Canada – Phase One Investments Clean Water and Wastewater Fund Report.

2015-19 STRATEGIC PLAN

This project supports the Wastewater Business Plan and the Strategic Plan with respect to building a sustainable city and robust infrastructure through investments in energy reduction.

BACKGROUND

Purpose

The purpose of this report is to award the supply and installation of variable-frequency drives at the Adelaide, Berkshire, Hunt Club, Medway and Summercrest wastewater pumping stations.

Context

Variable frequency drives are electrical devices that allow pumps/motors to run at variable speeds allowing pumps to discharge at variable flow rates. Variable frequency drive's play two critical roles: they provide a consistent flow to the receiving treatment plant, and reduce electrical consumption.

DISCUSSION

The replacement of variable frequency drives at several wastewater pumping stations was identified during the Clean Water & Wastewater Fund (CWWF) application process. The existing drives are currently operational but are nearing the end of their service life. The service life is determined using industry asset management best practices. Their replacement has been scheduled prior to failure to minimize the risk associated with their failure and to take advantage of the available CWWF funding.

Purchasing Process

A formal Request for Proposal (RFP) was issued in June, 2017 to source qualified electrical service installation services for the replacement of variable-frequency drives at five of the City's Wastewater Pumping Stations. The goal of the RFP was to select the proponent best able to meet the requirements of the project in the most time efficient and cost effective manner.

Two submissions were received, reviewed and assessed by an evaluation team from the Wastewater Treatment Operations Division, with the assistance of Purchasing and Supply. Proposal submissions were evaluated based on the following criteria:

- Pricing and fees;
- Variable frequency drive manufacturer installation base within City of London wastewater treatment facilities;
- Past performance, ability and experience with water and or wastewater treatment installations involving variable frequency drives. Provide list of projects within last 5 years, including references;
- Contactor commissioning team experience and familiarity with municipal water and wastewater installations and similar projects; and
- Availability and capacity to complete project in a timely manner.

Both proponents met the noted evaluation criteria, recognized all terms, conditions, specifications, and requirements; displayed an understanding of the work; and possessed the technical expertise required.

It was determined that the best value approach would be to split the award as allowed by the following condition within the RFP:

The City reserves the right to accept or reject any or all bids or parts of bids, to waive irregularities and technicalities and to request rebids on the required

material(s). It further reserves the right to award the contract on split-order basis, lump sum or individual item basis or such combination as shall best serve the interests of the City in the opinion of the Manager - Purchasing & Supply and the applicable Department, unless otherwise stated.

Splitting the award into two best serves the interests of the City and achieves a considerable savings of \$36,239.43 excluding HST.

Project Funding

This project is being partially funded through the Clean Water and Wastewater Fund. Through the CWWF program, the City finances 25% of the work while the other 75% of the cost is claimable from the fund.

CONCLUSION

It is recommended that Hardie Industrial Services and Selectra Inc. be contracted to replace variable-frequency drives at several wastewater pumping stations. Both proponents met the evaluation criteria, possess the required technical expertise and are anticipated to provide the best value to the City.

Acknowledgements

This report was prepared within the Wastewater Treatment Operations Division by Mark Spitzig, Operations Manager with assistance from Kevin Schaefer, Operations Supervisor, and Chris Ginty, Procurement Officer, Purchasing and Supply.

PREPARED BY:	REVIEWED & CONCURRED BY:
GEORDIE GAULD DIVISION MANAGER WASTEWATER TREATMENT OPERATIONS	SCOTT MATHERS, MPA, P.ENG. DIRECTOR-WATER AND WASTEWATER
RECOMMENDED BY:	
KELLY SCHERR, P.ENG. MANAGING DIRECTOR OF ENVIRONMENTAL & ENGINEERING SERVICES & CITY ENGINEER	

Attachment: Appendix "A" – Sources of Financing

Cc: Chris Ginty, CPPB