

TO:	CHAIR AND MEMBERS CIVIC WORKS COMMITTEE MEETING OF OCTOBER 24, 2017
FROM:	KELLY SCHERR, P.ENG., MBA, FEC MANAGING DIRECTOR, ENVIRONMENTAL & ENGINEERING SERVICES AND CITY ENGINEER
SUBJECT:	BULK WATER STATION ACCESS TERMINAL UPGRADES

RECOMMENDATION

That, on the recommendation of the Managing Director, Environmental and Engineering Services and City Engineer, the following actions **BE TAKEN** with respect to the award of a contract for the Bulk Water Station Terminal Upgrade project:

- (a) The proposal submitted by Flowpoint Environmental Systems, in the amount of \$218,773.84 (excluding H.S.T.) to supply, install, and commission eight new bulk water station access terminals **BE ACCEPTED**, in accordance with section 12.2(b) of the Corporation of the City of London's Procurement of Goods and Services Policy;
- (b) The financing for this project **BE APPROVED** from current available budget 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 project;
- (d) the approval 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
- (e) 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

None.

2015 – 2019 STRATEGIC PLAN

The following report supports the 2015 – 2019 Strategic Plan through the strategic focus area of *Leading in Public Service*, by continuing to realize revenue generation while providing enhanced customer service delivery.

BACKGROUND

Purpose

The purpose of this report is to award a contract to supply, install, and commission eight new bulk water station access terminals.

Context

The City of London has established designated locations where bulk water haulers and other users (eg. street sweepers; hydrovac equipment) are permitted through the Water By-law to fill their tankers directly from the water distribution system. These facilities are accessible by large vehicles and are located where the water distribution system can deliver the large volumes of water without negative consequences to the local system.

The water filling stations are outfitted with an unstaffed, automated permit/access card, and flow control system.

The access terminal hardware and technology currently installed at the City of London's eight bulk water stations has been in use for twelve years. Many of the access terminals are experiencing increased maintenance and repair needs in order to remain functional due to their age and frequent use. The City was notified by the current vendor in late-2016 that the card reading hardware component of the access terminals will no longer be manufactured nor supported by 2018.

DISCUSSION

The City issued a competitive Request for Proposal in June, 2017 (RFP 17-30: Bulk Water Station Terminal Upgrade) to supply, install, and commission new access terminals for the bulk water stations. As a result, two proponents submitted proposals. The proposal submitted by Flowpoint Environmental Systems (Flowpoint) obtained the highest overall score, and provided the greatest benefits, options, and enhancements over and beyond the suggested requirements.

Flowpoint Environmental Systems provide access and reading systems for bulk water and septage receiving stations, with over 600 installations throughout North America. They provide a complete, seamless package, including software and hardware. Their products are developed, designed, constructed, and supported solely in-house.

Flowpoint's longevity, proven track record, 5-year warranty, and particularly their own manufacturing of the access terminals, were significant factors for the recommendation to select them for this project. They do not outsource or divest to third-party providers for any major components which is the primary reason the existing system requires replacement.

Their proposal met all of the requirements set forth in the Request for Proposal, and included tangible benefits beyond the minimum specifications. Their proposal and price includes the supply, installation, and commissioning of the access terminals as well as a 5-year software/cloud licensing agreement.

Flowpoint's proposal clearly reflects their thorough understanding of the City's interests and outlined a detailed strategy to provide significant enhancements to the current system. It is anticipated that bulk water station users will have an improved customer experience following these upgrades.

Funding

Funding for this expenditure is provided for in the annual water capital budget item EW383317. A source of financing is attached as Appendix 'A'.

CONCLUSIONS

The City's bulk water station access terminals have reached their end-of-life. They are no longer being manufactured or supported by the vendor. They have become problematic due to frequent failures and require repairs to remain functional. The card reader and payment system is antiquated and cumbersome for staff to administer. The recommended contract will provide a stable and long-term solution for bulk water station customers. It is recommended that this project be awarded to Flowpoint Environmental Systems. They bring significant technological advancement and superior equipment through their "smart card" solution and satisfactorily address the City's objectives.

Acknowledgements

This report has been prepared with input from Scott Koshowski, P. Eng. - Environmental Services Engineer.

PREPARED BY:	REVIEWED & CONCURRED BY:
JOHN SIMON, P. ENG. DIVISION MANAGER WATER OPERATIONS	SCOTT MATHERS, P. ENG. MPA DIRECTOR, WATER AND WASTEWATER
RECOMMENDED BY:	
KELLY SCHERR, P.ENG., MBA, FEC MANAGING DIRECTOR ENVIRONMENTAL & ENGINEERING SERVICES AND CITY ENGINEER	

Attachment: Appendix 'A' – Sources of Financing

CC: Chris Ginty, CPPB, Procurement Officer, Purchasing and Supply
Flowpoint Environmental Systems, c/o Aaron Morrison
Aaron Rozentals, Division Manager – Water Engineering