



**STAFF REPORT  
ACTION REQUIRED**

**Purchase Order Amendment – Supply and Delivery of  
Non-metallic Chain and Accessories for Purchase Order  
47013175.**

<b>Date:</b>	December 4, 2009
<b>To:</b>	Public Works and Infrastructure Committee
<b>From:</b>	General Manager, Toronto Water Director, Purchasing and Materials Management
<b>Wards:</b>	All
<b>Reference Number:</b>	P:/2009/Internal Services/pmmd/pw09033pmmd (AFS #11029)

**SUMMARY**

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The purpose of this report is to request authority to amend Purchase Order 47013175 for the supply and delivery of non-metallic chain and accessories needed for sludge collector mechanisms at the various wastewater treatment plants. The total amendment request is \$1,217,000 net of GST and HST Recoveries, revising the current contract value from \$3,949,026.88 to \$5,166,629.88 net of GST and HST Recoveries for the period ending December 31, 2011. Failure to expand the current itemized list to include these additional requirements will result in significant delays to the schedule of planned repairs, cancellation of the tendered installation project and potential non-compliance of the regulated effluent criteria for the Ashbridges Bay Treatment Plant.

**RECOMMENDATIONS**

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The General Manager of Toronto Water and the Director of Purchasing and Materials Management recommend that Public Works and Infrastructure Committee grant authority to:

1. Amend Purchase Order 47013175 for the supply of non-metallic chain and accessories with C&M Environmental Tech Inc. by an additional amount of \$1,217,600.00 net of GST and HST Recoveries, revising the current contract value from \$3,949,026.88 to \$5,166,629.88 net of GST and HST Recoveries and expand the itemized list of required assembly parts and accessories to include those listed in Attachment A.

## FINANCIAL IMPACT

The amendment to the current Purchase Order 47013175 results in an increase of \$1,217,600.00 net of GST and HST Recoveries from \$3,949,029.88 to \$5,166,629.88 net of GST and HST Recoveries for the supply of additional inventory of the parts urgently needed for complete overhaul of the selected primary and secondary clarifiers.

Funding for the requested amendment amount is available in the approved 2010 Toronto Water Capital Budget and 2011-2019 Capital Plan in WBS Element CWW040 Ashbridges Bay WWTP – Liquid Treatment and CWW041 Process and Equipment Upgrades – Future. The estimated annual cash flows (net of GST and HST Recoveries) related to the requested amendment amount are as follows:

WBS Element	2010	2011
CWW040 Ashbridges Bay WWTP – Liquid Treatment	\$403,520	\$407,040
CWW041 Process & Equipment Upgrades - Future	—	\$407,040

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

## ISSUE BACKGROUND

As a result of the competitive RFQ process, at its meeting on December 19, 2007, the Bid Committee awarded the contract to supply and deliver non-metallic chain and accessories to C&M Environmental Technologies Inc. This contract is for the Polychem line of sludge collectors of which C&M is the exclusive distributor and the Ashbridges Bay Treatment Plant has now standardized on these for their primary and secondary clarifiers as a result of this multi-year contract.

It has recently been discovered that a more extensive list of parts is required to complete the necessary repairs and overhaul work. The additional parts and assembly components required are not currently itemized on the existing contract but must be procured from the same supplier in order to ensure full compatibility with existing components and proper functioning of the collector mechanisms to maintain overall warranty of each system.

## COMMENTS

The primary and secondary treatment processes at the Ashbridges Bay Treatment Plant (ABTP) are in urgent need of repairs. The secondary clarifiers in particular, are essential

in order for the plant to achieve compliance with their Certificate of Approval as issued by the Ministry of the Environment. To expedite this work, the City recently tendered a project for the required labour resources. Parts purchased under the existing supply and delivery contract are to be free issued to the contractor to ensure quality and compatibility at a lower overall cost. The award for this installation contract is currently pending.

The list of required additional parts and the related pricing provided by C&M was reviewed by Toronto Water staff and found to be consistent with other competitively bid projects of this nature. Failure to expand the current itemized list to include these additional requirements will result in significant delays to the schedule of planned repairs, cancellation of the tendered installation project and potential non-compliance of the regulated effluent criteria for the Ashbridges Bay Treatment Plant.

## CONTACT

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## SIGNATURE

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Lou DiGironimo, P. Eng.  
General Manager, Toronto Water

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Lou Pagano, P. Eng.  
Director, Purchasing and Materials  
Management

## ATTACHMENTS

- A. Non-metallic Chain & Accessories – Additional Requirements

## ATTACHMENT A

Contract 47013175 – C&M Environmental Technologies Inc.

Non-metallic Chain & Accessories – Additional Requirements

Description	Package Price*
<b><i>ABTP Primary Clarifiers (1 - 6)</i></b>	
Longitudinal Collectors - Assembly/Components	\$162,229
Cross Collectors - Assembly/Components	\$26,429
Scum Skimmers - Assembly/Components	\$73,672
<b><i>ABTP Secondary Clarifiers (1, 2, 5 - 8)</i></b>	
Longitudinal Collectors - Assembly/Components	\$276,265
Cross Collectors - Assembly/Components	\$22,438

\* Package price is per clarifier