

Corporation of the Town of Hawkesbury

Recommendation to Council

N°: 2019_REC_46

File N°:

Date of meeting: June 10, 2019

Subject: Storage upgrade proposal for two new chemicals at the Filtration plant

Recommendation

Whereas we use two new chemicals at the Filtration plant, namely caustic soda to adjust our pH and zinc orthophosphate for internal corrosion control of watermain, and;

Whereas we buy these products in containers of 1000 L and there would be economies of scale by buying them in bulk, and;

Whereas there are health and safety issues to address, such as handling these 1000 L chemical containers, that these two new chemicals are incompatible (acid-base) and need a separate physical separation with containment (see MECP report), that they need a permanent installation with piping identification and require a dosing pump with its redundancy, and;

Whereas a proposal has been submitted by the firm J.L. Richards Ltd.in order to complete the design of the plans and specifications, the administration of the contract and the work supervision of new chemical storage project in the amount of \$ 155 000, and;

Whereas a deviation from the Purchasing policy for awarding a single source contract for the design, contract administration and construction supervision to J.L. Richards Ltd.for the storage upgrade of new chemicals .

Be it resolved that the “Storage upgrade proposal for two new chemicals at the Filtration plant” proceed and that we award J.L Richards Ltd. the contract to complete the design of the plans and specifications, the administration of the contract and the work supervision of new chemical storage project at an amount of \$ 155 000, as recommended in the report 2019_REC_46.

Explanation, history, context

We selected the firm of J.L. Richards Ltd. during a competitive bidding process for the preparation of the infrastructure master plan, during the preparation of the optimization study of the water treatment plant and during the design and supervision of improvements for the water treatment plant in 1979, 1994 and 2000.

It is important to build a storage area for the two new chemical products. We had submitted through J.L. Richards in July 2018, a grant application to the Ontario Community Infrastructure Fund under the Top-Up Component for the proposed construction of a chemical area at the Filtration plant (REC-74-18).

Since J.L. Richards Ltd. identified this project being a top priority within the plant optimization study process. The first budget estimate foresees a total budget of approximately \$ 1,030,000. We were waiting until April 2019 for the grant, but unfortunately, we did not get it. This project remains a priority in order to ensure that production in drinking water is compliant and safe for citizens and operators.

Options/alternatives

- 1.

Impact on budget

This project was part of the 2019 Capital Budget. We anticipated that this \$1,030,000 project, be financed from the OCIF – Top Up grant application for an amount of \$710,563 and by water reserves for an amount of \$319,437. However, the provincial government abolished this program before receiving the response for the application.

Due to the priority of this project, we modified our strategy by pushing back this project to 2020 and to finance it with the OCIF – Formula Base already guaranteed grant. The estimated grant amount for 2020 is \$653,336. We will finance the balance of \$376,664 by the water reserve. In addition, we are anticipating announcements of other grant programs to replace the OCIF - Top up program, which could be another alternative.

Since the financing of the 2019 capital project included contribution from the water reserve and that we will transfer the project to the 2020 budget process, there are no impact on the 2019 budget if we move ahead with the Design phase of this project.

Relevant studies

Town of Hawkesbury Water Treatment Plant 20-Year Strategic Plan

Supporting document

Chemical storage upgrade Proposal April. 19 2018

Hawkesbury WTP Inspection Report 2018-19

Application OCIF Top-Up 2018_July 4 2018 (REC-74-18)

Department(s) involved

Environment

Capital Projects

Finance

Submitted and recommended by

Martin Perron, May 30, 2019

Comments of the Chief Administrative Officer

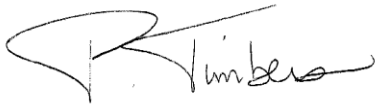
This is a priority project for the water works service and I recommend that we proceed with our superintendent proposal.

Daniel Gatien, CAO

Report Approval Details

Document Title:	2019_REC_46_CHEMICAL_STORAGE_UPGRADE_PROPOSAL_APP ROVAL_ang.docx
Attachments:	- Chemical storage upgrade Proposal Apr. 19 2018.pdf - Hawkesbury WTP Inspection Report 2018-19.pdf - REC - Application OCIF Top-Up 2018_July 4 2018.docx
Final Approval Date:	May 31, 2019

This report and all of its attachments were approved and signed as outlined below:



Philippe Timbers - May 30, 2019 - 4:27 PM



Daniel Gatien - May 31, 2019 - 1:38 PM