

## COUNCIL REPORT

M&C No.	2019-88
Report Date	April 05, 2019
Meeting Date	April 23, 2019
Service Area	Saint John Water

His Worship Mayor Don Darling and Members of Common Council

***SUBJECT: Tender 2019-681001T - Phosphate for Corrosion Control***

### ***OPEN OR CLOSED SESSION***

This matter is to be discussed in open session of Common Council.

### ***AUTHORIZATION***

Primary Author	Commissioner/Dept. Head	City Manager
<b><i>James Margaris Kendall Mason</i></b>	<b><i>Brent McGovern</i></b>	<b><i>John Collin</i></b>

### ***RECOMMENDATION***

That Common Council adopt the following resolution:

RESOLVED that the tender for the establishment of a supply agreement for Phosphate for Corrosion Control for the Loch Lomond Drinking Water Treatment Facility be awarded to the lowest compliant bidder, Brenntag Canada Inc., for a one year term.

### ***EXECUTIVE SUMMARY***

With the commencement of City's new Loch Lomond Drinking Water Treatment Facility and the thirty (30) year operation and maintenance agreement with Port City Water Partners, the City is responsible for the procurement of a corrosion inhibitor throughout the duration of the operating period as defined in the agreement.

A public tender call for the supply of Phosphates for corrosion control was issued on March 14, 2019, and closed on April 2, 2019. Brenntag Canada Inc. had the lowest compliant bid and Materials Management support the recommendation in the report.

### ***PREVIOUS RESOLUTION***

M&C 2018-105 Common Council RESOLVED that the tender for the establishment of a supply agreement for Phosphate for Corrosion Control for the new Loch Lomond Drinking Water Treatment Facility be awarded to the lowest compliant bidder, Canada Colors and Chemical (Eastern) Ltd, for a one year term.

### ***STRATEGIC ALIGNMENT***

This report aligns with Council's Priority for Valued Service Delivery by investing in sustainable City services and municipal infrastructure while supporting the City's commitment to providing safe clean drinking water.

### ***REPORT***

The purpose of this report is to inform Council of the results of the tender issued for the procurement of a corrosion inhibitor to be used at the Loch Lomond Drinking Water Treatment Facility.

Under the Safe Clean Drinking Water Project and the thirty (30) year operation and maintenance Contract with Port City Water Partners (PCWP), the City, at its sole discretion, may direct Project Co (PCWP) to make the following chemical feed changes that impact the distribution system water quality and operation:

1. Secondary chlorine residual
2. Finished water pH
3. Corrosion inhibitor type
4. Corrosion inhibitor and dose.

As per condition 3 above, the City is responsible for the selection and procurement of a corrosion inhibitor to be used at the water treatment facility.

The treatment of the water with a corrosion inhibitor has been part of the design of a new Water Treatment plant since inception.

As noted in M&C No. 2018-50 orthophosphates (phosphates) are commonly used in water treatment for copper corrosion or scale stabilization control. The use of them is well established in literature and in practice.

### ***SERVICE AND FINANCIAL OUTCOMES***

Based on the past seven (7) months of operations and the unit price bid, the the City will spend approximately \$310,400 annually to purchase bulk orthophosphate.

This is a budgeted expenditure and as such funds are provided in the annual Utility Operating Budget to fully cover this expense.

### ***INPUT FROM OTHER SERVICE AREAS AND STAKEHOLDERS***

Both the Department of Environment and Local Government (Regulator) and the Department of Health had previously reviewed and approved the City's plan for the treatment of the drinking water with a corrosion inhibitor to control corrosion rates within the City's distribution system.

#### **MATERIALS MANAGEMENT:**

A public tender call was issued on March 14<sup>th</sup> and closed on April 2<sup>nd</sup>, 2019. Three companies responded to the tender call by submitting bids. The results are as follows:

Alpha Chemical Ltd.	\$8.97/Kg
Brenntag Canada Inc.	\$7.72/Kg
Shannon Chemical Corp.	\$9.77/Kg

Brenntag Canada Incorporated has submitted the lowest compliant bid and Staff of Materials Management have reviewed the tenders and have found them to be complete and formal in every regard. Staff recommends that the lowest compliant tenderer "Brenntag Canada Inc." meets all requirements, and recommend acceptance of their tender.

The above process is in accordance with the City's Procurement Policy and Materials Management support the recommendation being put forth.

### ***ATTACHMENTS***

N/A