

**STAFF REPORT:        ENGINEERING AND PUBLIC WORKS DEPARTMENT**



**REPORT TO:**            Council  
**MEETING DATE:**      July 23, 2007  
**REPORT NO.:**          EPW.07.84  
**SUBJECT:**             Thornbury Water Treatment Plant –  
                                 Upgrades, Pall Membrane Pre-purchase  
**PREPARED BY:**        John Caswell, Manager of Environment  
                                 Services

**A. Recommendations**

THAT Council authorize the Mayor and Clerk to sign the “Agreement to Purchase” with Pall Corporation which will commit the Town to purchase approved shop drawings and manufactured Pall membrane equipment which will provide “firm capacity” of 15,140 m<sup>3</sup>/day at the Thornbury Water Treatment Plant at a total cost from Pall Corporation of \$1,966,726.00, including PST and excluding GST, and

THAT the “Agreement to Purchase” be reviewed and approved by the Town Solicitor and Director of Engineering and Public Works prior to execution, and

THAT Council supports the exception to the Town’s purchasing policy, Section 16 of the Purchasing Bylaw entitled “Purchase by Negotiations” permits the Department Head, in cooperation with the CAO, to negotiate with a supplier for the goods and the requirement for inviting Tenders or Quotations is waived.

**B. Background**

The Thornbury Water Treatment Plant Engineering and Public Works Committee Report EPW.07.68 of June 12, 2007 addressed additional funds to provide “firm” capacity of 15,140 m<sup>3</sup>/day by replacing the existing method of conventional mixed media filtration with Pall Membrane ultrafiltration.

Previously, Macviro Consultants had completed a feasibility study at the Thornbury Water Treatment Plant and recommendations were made to upgrade the facility to membrane filtration. The Town did go through a process where a bid was received from a major competitor of Palls.

The installation of Pall membrane filtration addresses the current deficiency in the Thornbury Water Treatment Plant and also provides “firm” capacity as recognised by The Ten State Standards and Best Practices for water treatment and allocation. In order to allocate or reserve water capacity to future development, the plant capacity needs to be considered on a “firm” basis.

This Purchase Agreement will contain clauses which would allow the Town to assign the Purchase Agreement to a General Contractor, once the General Contractor is selected by the public tendering process. The General Contractor would be required by his contract to order

the fabrication and delivery of the equipment and would be compensated under the terms of the construction contract.

The Town requires the Pall Corporation to complete design drawings and submittals so Henderson Paddon, the Town's Consulting Engineer, can prepare final detailed design drawing for submittal to the Ministry of Environment (MOE) in August. Pall Corporation requires approximately eight weeks to complete shop drawings which will then be submitted to the Ministry of Environment in addition to Henderson Paddon's detailed design. The amendment to the Water Treatment Plant Certificate of Approval from the MOE will take approximately sixteen weeks.

The tender for this project will be advertised in October and close in November with the selection of a contractor in early December. The Pall equipment P.O. will then be assumed by the Contractor and the manufacture of Pall equipment takes a minimum of 20 weeks.

The Contractor will be able to start the filter replacement mid March 2008. The Pall Membrane equipment will be delivered to the site on April 14, 2008. This equipment will be ordered by the Contractor before Christmas in 2007 in order to meet the 20 week manufacturing schedule. The installation will take approximately three months with substantial completion mid June 2008. This will ensure the Water Treatment Plant is in full operation for the summer months. Staff will be discussing contingency plans with Collingwood for the supply of additional capacity if required during construction.

### **C. The Blue Mountains' Strategic Plan**

The Thornbury Water Treatment Plant Upgrades, Pall Membrane Pre-Purchase Report #EPW.07.84 furthers the Town's Strategic Goal #1 "Managing Growth to ensure the ongoing health and prosperity of the community" and Goal #2 "Addressing the Town's Municipal infrastructure needs".

### **D. Budget Impact (**

The schedule of costs include prepurchasing the approved shop drawings at a cost of \$150,000.00 with the remainder of the cost of equipment to be ordered by the General Contractor at a remaining cost of \$1,635,053.00 which is less \$181,673.00 or 10 % for holdback and warranty purposes.

### **E. Attached**

1. EPW.07.68 Thornbury Water Treatment Plant Upgrade – Revised Project Budget

Respectfully submitted,

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John Caswell  
Manager, Environment Services

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Reg Russwurm  
Director, Engineering and Public Works