

City of North Bay Report to Council

Report No: CORP-2022-069

Date: May 20, 2022

Originator: Mary-Ann Kotylak, CPPB, CPPO
Manager of Purchasing

Karin Pratte, P.Eng.
Senior Environment & Facilities Engineer

Business Unit:
Corporate Services

Department:
Financial Services Department

Subject: Request for Tender 2022-09 Wastewater Treatment Plant Digester 4 Replacement

Closed Session: yes ☐ no ☒

Recommendation

That City Council:

1. approves the award of a contract to Venasse Building Group Inc. in the amount of \$4,354,600.00 (plus HST) to demolish and replace the wastewater treatment plant digested sludge holding tank #4; and
2. authorizes the transfer of funds to the project as outlined in Report to Council CORP No. 2022-069.

Background

The North Bay Wastewater Treatment Plant treats all wastewater for the City of North Bay. One of the wastewater processes at the plant is sludge removal and digestion. Sludge is removed from the settling tanks and pumped into the digesters. The sludge is anaerobically digested in the tanks (Digesters) which produce the by-product of methane gas. This methane gas is collected and fed to the boilers which in turn heat the 11 buildings on site. The sludge digestion process includes 1 primary digester, 2 secondary digesters and 1 digester holding tank. The water and wastewater department completed a condition assessment of the facility which noted that the primary and secondary digesters were in satisfactory condition however the digester holding tank is in poor structural condition and is recommended for replacement. The City worked with a qualified engineering consultant who completed the

detailed design and specifications for the replacement of Digester #4 Replacement.

Financial/Legal Implications

A formal bid request, which closed May 11 2022, was administered by the Purchasing Department and was publically advertised in accordance with the City's Purchasing By-Law 2013-200. Three bids were evaluated by the Purchasing Manager and the Senior Facilities & Environment Engineer. The evaluation considered company ability, experience and price.

The results are as follows:

Ranking	Company	Bid Price
1	Venasse Building Group Inc.	\$4,354,600.00
2	North America Construction (1993) Ltd.	\$5,380,445.00
3	Cecchetto & Sons Ltd.	\$7,397,275.00

The bid from Venasse Building Group Inc. was the lowest bid and provides the best overall value to the City. Their bid is considered fair and reasonable.

Funding for this contract is available in Capital Project No. 3719SS – Digester Replacement which has a total budget of \$4,500,000. It is estimated that up to an additional \$650,000 will need to be transferred from Capital Project No. 4103SS – Wastewater Treatment Plant Expansion to Capital Project No. 3719SS to cover the balance of the project costs including the remainder of the contract price, non-rebated HST, consultant fees, project management and provide a contingency for the overall project.

Corporate Strategic Plan

- | | |
|----------------------------------------------------------------|--------------------------------------------------|
| <input type="checkbox"/> Natural North and Near | <input type="checkbox"/> Economic Prosperity |
| <input checked="" type="checkbox"/> Affordable Balanced Growth | <input type="checkbox"/> Spirited Safe Community |
| <input type="checkbox"/> Responsible and Responsive Government | |

Specific Objectives

Maintain infrastructure across the city in a good state of repair.

Options Analysis

Option 1: That City Council approves the award of a contract to Venasse Building Group Inc. in the amount of \$4,354,600.00 (plus HST) to demolish and replace the wastewater treatment plant digested sludge holding tank #4; and authorizes the transfer of funds to the project as outlined in Report to Council Corp 2022-069.

Option 2: Do not award a contract. This option is not recommended because

the existing Digester is in poor structural condition and the wastewater facility is at risk of not meeting compliance if the digester fails.

Recommended Option

That City Council:

1. approves the award of a contract to Venasse Building Group Inc. in the amount of \$4,354,600.00 (plus HST) to demolish and replace the wastewater treatment plant digested sludge holding tank #4; and
2. authorizes the transfer of funds to the project as outlined in Report to Council CORP No. 2022-069.

Respectfully submitted,

Name: Mary-Ann Kotylak, CPPB, CPPO
Title: Manager of Purchasing

Name: Karin Pratte, P.Eng.
Title: Senior Environment & Facilities Engineer

We concur with this report and recommendation

Name: Domenic Schiavone
Title: Director Public Works & Parks

Name: Margaret Karpenko, CPA, CMA
Title: Chief Financial Officer /Treasurer

Name: David Euler, P.Eng., PMP
Title: Chief Administrative Officer

Personnel designated for continuance:

Name: Karin Pratte, P.Eng.
Title: Senior Environment & Facilities Engineer