

For Information Only

Water Wastewater Frozen Water Event Emergency Purchases

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Recommendation

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Finance Implications

The expenditures were unbudgeted and, as part of the projected over expenditure in water services, will be funded from a contribution from the Water Capital Financing Reserve Fund in accordance with policy. This is consistent with the 2015 Water Wastewater Operating Budget Variance Report June received at the September 22, 2015 Finance and Administration Committee meeting.

Background

The City of Greater Sudbury experienced a colder than normal winter in 2015. Combined with the moisture in the ground prior to the frost setting in, this created the ideal conditions for frozen water services and watermain breaks far in excess of the winter normals.

In 2015, the division received 1,518 no water calls. By mid February, it became apparent that the volume of emergency repair work could not be handled exclusively by City staff and the regular emergency services contractor. On February 25, 2015, staff established an Emergency Operations Centre (EOC) at the Frobisher public works depot. At that time, staff determined that extra help from third party contractors would be needed to assist with thawing and repairing additional watermain breaks. Under the provisions of subsection 26(1) of the Purchasing By-Law 2014-01, the General Manager has the authority to procure services that are both unbudgeted and unable to tender due to the time sensitivity of the work.

FROZEN WATER SERVICES

The 2015 frozen water contracted services budget was set at \$22,785. This had been sufficient in years prior to 2014. This budget would normally be sufficient to manage approximately 38 calls based on an average cost of \$600 per call.

Signed By

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Division Review

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There were 1,518 no water calls in 2015. The division attempted thawing services to 598 residents using internal resources while approximately 562 attempts were handled by the external contractors. Once it was determined that there would be a need for extra assistance from plumbers to assist in the thawing effort, staff obtained quotes and equipment abilities of local plumbers. Staff then met with selected contractors to assess the suitability of their equipment. It was determined that the work would be spread out amongst several contractors who had reasonable pricing as well as the prerequisite equipment.

The total amount incurred by the City related to frozen water services performed by plumbers using approved methods, including excavation, was approximately \$949,137. This translates to approximately 690 invoices at an average price of \$1,375 per call or attempt. The City used approximately 14 different contractors to varying degrees depending upon their thawing success rates.

WATERMAIN BREAK REPAIRS

There were 122 watermain breaks during the first 4 months of 2015. Due to the frequency, complexity and severity of the breaks, it became necessary to enlist the help of additional contractors to assist the emergency services contractor of record. The City used 4 additional contractors who attended approximately 7 breaks during this period on behalf of the City. Again, these contractors were employed without formal tendering procedures as the City's policy is to repair the break as quickly as possible, which precluded staff from acquiring their services through the formal competitive bid selection process. City staff was fully engaged in the thawing of frozen water services and were unable to effect many watermain break repairs. The City engaged these additional resources at an amount of approximately \$174,210.

CONCLUSION

The above mentioned purchases were made under the emergency provisions, subsection 26(1) of Purchasing By-law 2014-01 during the emergency frozen water event of 2015 and this report summarizes those expenditures.

Tender ISD 15-1 for the thawing of frozen services was awarded in May 2015 and the City now has 2 vendors of record to provide thawing services when required for the upcoming season. The contractor with the lowest compliant bid will be selected first, for each different occurrence of thawing frozen water services. The next compliant contractor will be requested for any additional services required after the first lowest compliant contractor has been contacted. A rotation of contractors for each occurrence will not be used for the duration of this contract.