

Request for Decision City Council

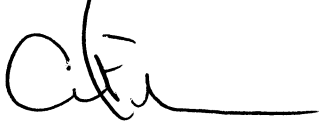


Type of Decision									
Meeting Date	November 10, 2005				Report Date	November 2, 2005			
Decision Requested	<input checked="" type="checkbox"/>	Yes		No	Priority	<input checked="" type="checkbox"/>	High		Low
	Direction Only				Type of Meeting	<input checked="" type="checkbox"/>	Open		Closed

Report Title
Development of Water Filling Stations at Strategic Locations Within the City of Greater Sudbury

Policy Implication + Budget Impact	
<input checked="" type="checkbox"/>	This report and recommendation(s) have been reviewed by the Finance Division and the funding source has been identified.
<p>If approved, this initiative will be funded from the Capital Financing Reserve Fund - Water.</p>	
<input checked="" type="checkbox"/>	Background Attached

Recommendation
<p>THAT Council receive the report as prepared by the General Manager of Infrastructure & Emergency Services dated November 2, 2005, describing the various options available to Council and,</p> <p>THAT four resolutions are included for Council's consideration.</p>
Recommendation Continued

Recommended by the Department Head
 Alan Stephen General Manager of Infrastructure & Emergency Services

Recommended by the C.A.O.
 Mark Mieto Chief Administrative Officer

Date: November 2, 2005

Report Prepared By

R.G. (Greg) Clausen, P. Eng.
City Engineer

Division Review

Background

At the October 13, 2005 meeting, discussions took place on numerous issues contained in the original report dated October 5, 2005 (copy attached as **Exhibit "A"**). The report was deferred and staff was directed to "prepare a report which would deal with existing "blow off" locations, fees, and water filling stations separately, providing one motion for each."

Introduction

Four major items/questions were discussed at the meeting and are elaborated on as follows:

Item 1 - Provision of Water - Should the City continue to provide water filling stations in areas currently occupied with "blow off" pipes?

Item 2 - Fee for Water - Should there be a fee for the water? Should the fee include operating costs and maintenance costs for the water filling stations?

Item 3 - Locations - What locations should have water filling stations?

Item 4 - Seasonal/Year-Round - Should the water filling stations be operated seasonally or year-round?

This report provides elaboration on each item.

A resolution on each separate item is attached.

Item 1 - Provision of Water

As discussed in our earlier report, the three locations where "blow offs" currently exist are no longer required. They are in the former peripheral areas of the City where dead end water distribution services used to exist. Historically, "blow offs" were required at these dead end locations to maintain/ensure water quality. Extensive new development and "looping" of the water system in these areas has eliminated the need for these blow offs.

These blow off sites have been used for many years by the public to obtain potable water. The annual "unbilled potable water" continuously discharged from these locations is estimated at 55,000 cubic metres at a cost of approximately \$43,505 as reported in an earlier report to Council.

This summer, "shut off" taps were installed at all three locations to eliminate water from free flowing. However, as discussed earlier with Council, these valves are not weather proof and must be either winterized or removed prior to winter freeze up.

It is estimated that 6,450 residences or 14,300 residents within the City are not serviced with municipal water. The majority of these residences obtain their water from private well systems. A number of these residences supplement their systems with municipal water obtained from these "blow off" sites. Also, the public obtains water from these "blow off" sites for use at private camps both within and outside the City.

The first item for Council to decide is whether they wish to continue to provide these stations.

If Council does not approve continuing to provide water from these locations, the sites will be permanently stopped-up and closed this fall before freeze up. Appropriate communications will be provided to the public.

The following resolution is presented for Council's consideration:

THAT Council continue to provide water at strategic locations as discussed in the report from the General Manager of Infrastructure & Emergency Services, dated November 2, 2005.

Item 2 - User Fee for Water

If Council decides to provide water, the next item that has to be decided is whether to charge a user fee for the water.

As discussed in the earlier report, the capital cost to install a "Smart Card User Fee System" is approximately \$15,000 per site. This estimate includes one smart card reader at each dispensing site and one programmer to be located at a nearby community service centre. The public will be able to either purchase new or refill their smart cards at the centres.

Staff is suggesting a fee of one cent per litre of water. Based on the anticipated volumes of water that will be obtained per fill up, this appears to be the lowest volume that could be practically programmed and implemented.

In addition, a one cent per litre dispensing fee is recommended to cover the cost of ongoing maintenance of the smart card system and fill up dispensing site maintenance.

Assuming that the current estimated volume of water continues to be purchased from each site, a four to five year payback period to cover the costs of developing each fill up station is estimated. However, it is anticipated that reduced consumption will result once a user fee is introduced. Therefore, a longer pay-back period is probable and should be expected.

Council could decide to continue to provide "free" water to the public from these sites. The costs of the water and site maintenance would then continue to be borne by the existing water customers.

The following resolution is presented for Council's consideration:

THAT Council approve the implementation of a User Fee of \$0.02 per litre at water filling stations as outlined in the report from the General Manager of Infrastructure & Emergency Services, dated November 2, 2005.

Item 3 - Potential Water Filling Station Locations

As discussed in the earlier report, we currently have three “blow off” locations surplus to the City’s operational needs. They are located at the following locations:

- Long Lake Road, temporarily relocated at Countryside Arena;
- Bancroft Drive near Moonlight Beach Road; and
- Spruce Street in Garson.

In our earlier report, staff recommended that both the Bancroft Drive and Spruce Street sites be closed and that a new single site be developed at the Tourism Welcome Centre at the Garson-Coniston Road and Highway 17 East intersection. The rationale for this recommendation is that it is understood that the majority of users of these two sites travel east to the periphery of the City and beyond. Alternatively, Council could give consideration to installing a dispensing station at each existing “blow off” site.

The estimated cost to construct each site is \$35,000 including road work, extension of water services, site storm sewer systems as necessary, lighting, security, ongoing facility maintenance and upkeep, etc.

It is proposed that each Water Filling Station would be located adjacent to an existing roadway/driveway where the public could easily access each site with their vehicles to fill larger containers. Also, maintenance including sanding, snow and ice removal, summer maintenance, etc. would be best carried out if the sites were independent of existing facilities and/or roadways.

The existing temporary site at the Countryside Arena is currently situated at the front of the building on the front walkway. This site will have to be relocated this fall to a site adjacent to the facility driveway for maintenance and safety reasons.

The following resolution is presented for Council’s consideration:

THAT Council approve the implementation of water filling stations at the following locations:

- **Long Lake Road, temporarily relocated at Countryside Arena;**
- **Bancroft Drive near Moonlight Beach Road; and**
- **Spruce Street in Garson,**

as outlined in the report from the General Manager of Infrastructure & Emergency Services, dated November 2, 2005.

Item 4 - Seasonal or Year Round Operation

As briefly discussed at the previous Council meeting, the Filling Stations could be operated either seasonally (spring to fall) or year round.

If a year round operation is selected, a fully winterized filling station will be established to ensure satisfactory operation during the winter months. The cost for each station is estimated at approximately \$35,000.

If the “blow off sites” are operated only from spring to fall, they could be operated in a similar manner as the sites were operated this year.

Minor alterations to the Bancroft Drive and Spruce Street sites would be required to permit draining the system so that freezing does not occur. Also, a permanent location for the Long Lake Road/Countryside Arena site will have to be developed. The costs for these minor seasonal alterations could be absorbed within the current operational budgets.

The following resolution is presented for Council’s consideration:

THAT Council approve the implementation of (Year Round) (Seasonal) water filling stations at approved locations as outlined in the report from the General Manager of Infrastructure & Emergency Services, dated November 2, 2005.

Closure

This report has been prepared to answer the questions raised by Council at the October 13, 2005 Council meeting and to give Council additional options for consideration.

Staff will be in attendance to provide any additional information and/or answer any questions that Council may have.

Request for Decision City Council

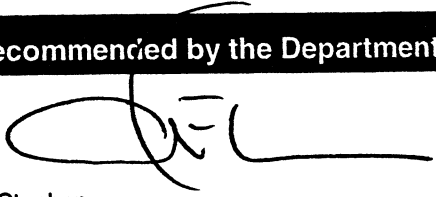



Type of Decision									
Meeting Date	October 13, 2005				Report Date	October 5, 2005			
Decision Requested	<input checked="" type="checkbox"/>	Yes		No	Priority	<input checked="" type="checkbox"/>	High		Low
	Direction Only				Type of Meeting	<input checked="" type="checkbox"/>	Open		Closed

Report Title
Development of Water Filling Stations at Strategic Locations Within the City of Greater Sudbury

Policy Implication + Budget Impact	
<input checked="" type="checkbox"/>	This report and recommendation(s) have been reviewed by the Finance Division and the funding source has been identified.
If approved, this initiative will be funded from the Capital Financing Reserve Fund - Water.	
<input checked="" type="checkbox"/>	Background Attached

Recommendation
<p>THAT two Water Dispensing Stations be installed in proximity to Countryside Arena and at the Coniston Welcome Centre at a total cost of \$100,000 to be funded from the Capital Financing Reserve Fund - Water, and</p> <p>THAT the three existing filling stations at locations described in the report be abandoned, all in accordance with the recommendations from the General Manager of Infrastructure and Emergency Services in his report dated October 5, 2005.</p>
Recommendation Continued

Recommended by the Department Head
 Alan Stephen General Manager of Infrastructure & Emergency Services

Recommended by the C.A.O.
 Mark Mieto Chief Administrative Officer

Date: October 5, 2005

Report Prepared By

R.G. (Greg) Clausen, P. Eng.
City Engineer

Division Review

Introduction

As reported in our report to Council on March 10, 2005 on Unbilled Potable Water, there are three locations specifically Long Lake Road, near St. Charles Lake Road, Bancroft Drive near Moonlight Beach Road in the former City, and Spruce Street in Garson, that account for approximately 55,000 m³ of lost water annually.

These three locations are no longer operationally required. They have been left in operation solely for the convenience of local residents (users) in the periphery of the City that are without municipal water. There is one blow off location on MR 55 in Walden that has to remain flowing for operational water quality issues. This location is not part of the discussions in this report.

This summer, as part of the upgrading of Long Lake Road, the "blow off" pipe was decommissioned and a temporary filling location was installed at Countryside Arena to service residents in this area of the City.

Also, shut off taps were installed on two other "blow off" sites to reduce water loss over the summer.

Staff reported to Council on March 10, 2005 that a staff recommendation for resolution of this matter would be presented to Council this fall.

Options

There are a number of options that could be considered for the three sites under review.

Option 1: Permanently abandon the three sites and make current users obtain water from other locations/sources.

Staff Comments: As stated earlier in the report, the three locations under review are not required operationally to provide safe potable water. Therefore, these locations could be permanently abandoned. Staff supports this option. However, this option would discontinue providing potable water to existing users.

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Date: October 5, 2005

Option 2: Operate the current three sites only during the summer months. The service would be closed and drained over the winter. The users over the winter would have to obtain water from other locations/sources.

Staff Comments: As per Option 1 above. City Maintenance Operations staff would continue to maintain and service these sites during the summer months.

Option 3: Remove the taps installed this summer and allow water to run over the winter months as per past practice. The taps could be reinstalled during the summer months on an annual basis.

Staff Comments: City Maintenance Operations would have to continue servicing/maintaining these locations over the entire year. Staff does not support this option because of associated ongoing maintenance costs and potential risk to the municipality.

Option 4: Install Dispensing Stations at strategic locations in both the south end and east end of the City to provide water to users either free of charge or on a full cost recovery basis.

Staff Comments: Staff supports this option from an Operational point of view. This option also supports Council's policy for full cost recovery for water services and eliminates providing free water.

Staff recommends that a water dispensing station be installed in close proximity to Countryside Arena to service residents in the south end of the City who formerly used the station on Long Lake Road.

Also, a similar dispensing station would be installed at the Tourism Welcome Centre located on Highway 17 East at the Garson-Coniston Road (MR 90). This location would replace the existing stations on Bancroft Drive near Moonlight Beach Road and Spruce Street in Garson which are recommended for closure.

The approximate cost for development and construction of each site is \$50,000, for a total of \$100,000, and would have a payback period of approximately four years based on current estimated water consumption and a charge of two cents per litre. The costs would include the cost of the water (1 cent per litre) plus servicing and facility maintenance costs (also estimated at 1 cent per litre).

It is recommended that funds for this project be obtained from the Capital Financing Reserve Fund - Water.

It is suggested that users pre-purchase water using a "Smart Card" system similar to that currently used in many local retail businesses.

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Date: October 5, 2005

Smart cards would be available at the existing Community Service Centres at Tom Davies Square and Garson. The customer would then "swipe" his prepaid smart card at the dispensing station for the requested volume of water. Once the card was exhausted, the customer would have to either refill/recharge his card or purchase a new card at one of the Customer Service Centres.

It is anticipated that the quantity of water utilized will decrease if a "User Pay" system is implemented.

We anticipate that the two dispensing systems could be installed and in operation this fall. Appropriate media advertising and signage will be installed at all existing and proposed new locations to adequately advise the public and current users.

This smart card system is also being reviewed for possible tanker truck water filling locations that will be strategically located across the City.

As a sidebar related issue, the public is currently obtaining water directly from the Wahnapiatae Water Treatment Plant. For health and safety issues/reasons, with respect to this plant and the proximity of dangerous chemicals, this filling station will be immediately closed to the public. Current users will be able to obtain water from one of the other filling stations currently available. Appropriate signage will be installed at the plant.

Request for Decision City Council



Type of Decision

Meeting Date	November 10, 2005				Report Date	November 2, 2005			
Decision Requested	<input checked="" type="checkbox"/>	Yes	<input type="checkbox"/>	No	Priority	<input checked="" type="checkbox"/>	High	<input type="checkbox"/>	Low
	Direction Only				Type of Meeting	<input checked="" type="checkbox"/>	Open	<input type="checkbox"/>	Closed

Report Title

**Contract CPS05-11
Request for Proposal for Insurance Brokerage and Related Services**

Policy Implication + Budget Impact

☒ This report and recommendation(s) have been reviewed by the Finance Division and the funding source has been identified.

The annual funding for this service is provided in the operating budget.

This certifies that this future commitment is within the Annual Repayment Limit for the City of Greater Sudbury as re-calculated

L. Hayes
Chief Financial Officer/Treasurer

☒ Background Attached

Recommendation

THAT Council authorize the execution of an agreement with Canada Brokerlink for the provision of Insurance Broker Services for the City of Greater Sudbury from January 1, 2006 for a three-year period up to and including December 31, 2008, subject to a satisfactory annual performance appraisal and service audit, and execution of a Broker Services Agreement in the amount of \$250,625 for the three year period (exclusive of applicable taxes); and

THAT the Treasurer be authorized to negotiate an extension of the agreement for a fourth or fifth year, subject to a satisfactory annual performance appraisal and service audit, and satisfactory negotiation of fees for services.

Recommendation Continued

Recommended by the Department Head

Lorella Hayes
Chief Financial Officer / Treasurer

Recommended by the C.A.O.

Mark Mieto
Chief Administrative Officer

Date: November 2, 2005

Report Prepared By

Darryl Mathe
Manager of Supplies & Services

Division Review

BACKGROUND

At the meeting of October 27th, 2005 Council requested further clarification on extending an agreement beyond the original three-year term. The majority of the City's contracts are for a three-year term, with the option for a 4th and 5th year extension. Purchasing initiated this practice several years ago, as it is the most efficient and cost effective timing for both the City and the vendors.

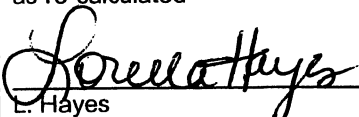
In the past, contracts were of a shorter duration with no renewal options with the result that the contractors would just be achieving proficiency on the contract when it ended. Also, with the hundreds of contracts in effect, it is extremely expensive to be continually doing Requests for Proposals and Tenders for contracts of a short duration. The optional years also provides the City with the flexibility to either extend the contract through negotiations or to retender if the contractor is not providing satisfactory service or if the market place warrants. It has frequently been our experience that a one or two year extension will result in no or only minimal increases as there is a cost savings for the vendors as well. Longer term contracts have proven to be cost effective for both the City and the suppliers. Staff time savings in Supplies and Services, Legal and end-user Departments from not going through the tender process, entering into new agreements, and from training new vendors is substantial. Further, vendors are better able to plan for the future and realize efficiencies themselves. The end result is savings and better service for the taxpayers.

Longer term contracts are in effect in both the public and private sectors for the above-noted reasons, and some are for as long as ten years, with the norm being the three years with the two year extension option. Supplies and Services maintains on-going communications with the Chamber of Commerce, the Sudbury Construction Association and bidders; and has received no complaints from the business community on the duration of contracts.

The report from the October 27th meeting is attached for consideration.


Type of Decision										
Meeting Date	October 27, 2005					Report Date	October 19, 2005			
Decision Requested	X	Yes		No		Priority	X	High		Low
	Direction Only					Type of Meeting	X	Open		Closed

Report Title
Contract CPS05-11 Request for Proposal for Insurance Brokerage and Related Services

Policy Implication + Budget Impact	
X	This report and recommendation(s) have been reviewed by the Finance Division and the funding source has been identified.
The annual funding for this service is provided in the operating budget.	
This certifies that this future commitment is within the Annual Repayment Limit for the City of Greater Sudbury as re-calculated	
 L. Hayes Chief Financial Officer/Treasurer	
X	Background Attached


Recommendation	
<p>THAT Council authorize the execution of an agreement with Canada Brokerlink for the provision of Insurance Broker Services for the City of Greater Sudbury from January 1, 2006 for a three-year period up to and including December 31, 2008, subject to a satisfactory annual performance appraisal and service audit, and execution of a Broker Services Agreement in the amount of \$250,625 for the three year period (exclusive of applicable taxes); and</p> <p>THAT the Treasurer be authorized to negotiate an extension of the agreement for a fourth or fifth year, subject to a satisfactory annual performance appraisal and service audit, and satisfactory negotiation of fees for services.</p>	
	Recommendation Continued

Recommended by the Department Head



Lorella Hayes
Chief Financial Officer / Treasurer

Recommended by the C.A.O.



Mark Mieto
Chief Administrative Officer

Date: October 19, 2005

Report Prepared By



Dion Dumontelle
Acting Co-Ordinator of Capital Budget & Risk Management

Division Review



John Van de Rydt
Acting Co-Ordinator of General Accounting

BACKGROUND

The City of Greater Sudbury needs an insurance broker to:

- provide advice and guidance with respect to corporate insurance requirements;
- provide specific recommendations on policies and coverage;
- provide marketing and placement of insurance policies; and
- provide risk management services as required

The insurance broker firm acts for the City to market and place municipal and commercial insurance and assist the City with related risk management services.

The City has retained the services of Canada Brokerlink in a similar capacity since 2001 with excellent service having been provided.

Request for Proposals

Through Supplies and Services Division, a Request for Proposals (RFP) for Insurance Broker Services was issued early in September of 2005. The RFP included an extensive listing of Mandatory Eligibility Criteria as well as a detailed scope of work.

In order to open up this RFP process to as many local parties as possible, staff met with the local Sudbury Brokers Association prior to its issuance. Information was shared at these meetings and input from attending Association members was used in the development of the RFP. RFP material from other municipalities was also reviewed for consideration.

In addition, an Evaluation Weighting System was also developed, as follows:

- | | |
|--|-----------|
| • Experience of Firm | 20 points |
| • Experience of Lead Broker | 25 points |
| • Experience of Personnel | 10 points |
| • Proponent's suggested approach to task | 20 points |
| • Cost of Services | 25 points |

After the RFP was issued and sent to local insurance brokers, an open meeting was called to review the RFP content. The intent was to clearly answer questions and explain the scope of work as well as the evaluation process.

Date: October 19, 2005

Evaluation of Proposals

The two firms who submitted proposals were Canada Brokerlink Inc. and Nexus Canada Inc. The proposals were scored and ranked, based on the Evaluation Weighting System described earlier. The scoring was relatively close in all but one area, as both firms are well respected in their profession and have demonstrated their abilities and experience. However there was a substantial difference in pricing, with the recommended firm being almost fifty percent (50%) less than the other.

Summary

The recommendation is that an agreement be executed with Canada Brokerlink for the following amounts:

2006 - \$79,500

2007 - \$83,475

2008 - \$87,650

(exclusive of applicable taxes) for a total of \$250,625 for the three year period.

There is every confidence that Canada Brokerlink will provide the City of Greater Sudbury and its citizens with excellent service in a cost effective manner.