

Staff Report

Report To: City Council
Report From: Lauren Stewart, Purchasing and Claims Coordinator
Meeting Date: May 12, 2025
Report Code: CR-25-061
Subject: Approval of Non-Standard Procurement – Pressure Reducing Valve (PRV) Chamber

Recommendations:

THAT in consideration of Staff Report CR-25-061 respecting the Approval of Non-Standard Procurement – Pressure Reducing Valve (PRV) Chamber, City Council:

1. Approves the non-standard procurement for the supply and delivery of one (1) Pressure Reducing Valve (PRV) Chamber from Syntec Process Equipment Ltd. for \$179,545.34, including the City's non-refundable allocation of HST; and
2. Authorizes the Director of Corporate Services to issue a Purchase Order for the supply and delivery of the Pressure Reducing Valve (PRV) Chamber.

Highlights:

- The 2025 Capital Plan includes a project to replace the watermain on East Bayshore Road and 32nd Street East, including the replacement of approximately 250 metres of watermain and the installation of a pressure-reducing valve and chamber.
- The outcomes of this project will enhance the water system, promote growth, and enable housing in this area.
- The pre-purchase of the PRV Chamber will mitigate potential manufacturing and delivery lead times.

Strategic Plan Alignment:

[Strategic Plan](#) Priority: This report supports the delivery of Core Service.

Climate and Environmental Implications:

This supports the objectives of the City's Corporate Climate Change Adaptation Plan by strengthening the resiliency of City infrastructure or services.

Previous Report/Authority:

N/A

Background:

Section 33 of By-law 2020-022 (Purchasing By-law) permits non-standard procurement processes under a series of conditions, including the procurement of goods, services, construction, or consulting services where only one supplier is able to meet the requirements of the procurement to ensure compatibility with existing products.

Public Works and Engineering maintains Specifications for Watermain Construction, which include approved manufacturers' products. Syntec Process Equipment Ltd. is the sole approved manufacturer for Pressure Reducing Valves chambers.

Section 34 of the Purchasing By-law requires that non-competitive purchases greater than \$100,000 must be approved by Council.

This report has been drafted to provide Council with the necessary information to approve the non-standard procurement of the PRV Chamber. The capital detail sheet describing the project has been attached to this report.

Analysis:

GSS Engineering Consultants was awarded the provision of engineering design services and contract administration for the replacement of 32nd Street East and East Bayshore Road watermain through RFP on February 12, 2025.

As part of the design process and due to the anticipated Summer 2025 construction, GSS Engineering has identified the need to pre-purchase the fully assembled PRV chamber ahead of construction to avoid supply delays during construction.

Typically, the City and their consultant will include Syntec Valves as the approved manufacturer for this type of equipment and will require all bidders to supply, deliver, and install it. However, the completion of this project is time-sensitive due to the timelines in the City's Housing Enabling Water Systems funding agreement, requiring the project to be substantially completed by year-end.

Once the design process has been completed, the City will release a construction tender. A novation agreement will transfer the responsibility of the equipment from the City to the awarded Contractor, who will then be responsible for its installation. This tender is anticipated to be awarded in late Spring 2025.

Financial Implications:

The approved budget for the construction component of this project is \$2,149,126.00 and is funded primarily by the Housing-Enabling Water Systems Fund and water user rates.

The purchase of the PRV Chamber is \$179,545.34, including the non-refundable allocation of HST. The purchase includes a provisional item for a precast thrust block. This provisional item will not be expended without the City's written consent.

The remaining funds will be allocated to construction. When the construction component is awarded, a more detailed breakdown of the project, including any variance from the approved budget, will be included.

Communication Strategy:

N/A

Consultation:

Engineering Technologist
Manager of Engineering Services
GSS Engineering Consultants Ltd.

Attachments:

Capital Budget Detail Sheet – 24N.7 32nd St E Watermain Replacement

Recommended by:

Lauren Stewart, Purchasing and Claims Coordinator

Bradey Carbert, Manager of Corporate Services

Kate Allan, Director of Corporate Services

Submission approved by:

Tim Simmonds, City Manager

For more information on this report, please contact Lauren Stewart, Purchasing and Claims Coordinator at lstewart@owensound.ca or 519-376-4440 ext. 1242.