

NO: R088

COUNCIL DATE: June 5, 2023

REGULAR COUNCIL

TO: **Mayor & Council** DATE: **June 1, 2023**

FROM: **General Manager, Parks, Recreation & Culture** FILE: **0550-20**

SUBJECT: **Award of Contract No. 1220-040-2022-101 for Pool Chemicals in Aquatic Facilities**

RECOMMENDATION

The Parks, Recreation, & Culture Department recommends that Council:

1. Receive this report for information;
2. Award Contract No. 1220-040-2022-101 to ClearTech Industries Inc. in the amount of \$620,591 (including applicable taxes), for the provision of pool chemicals in aquatic facilities;
3. Set the expenditure authorization limit for Contract No. 1220-040-2022-101 at \$682,650 (including applicable taxes and contingency);
4. Authorize the General Manager, Parks, Recreation & Culture, to execute a one (1) year contract with four one-year optional extensions for a total of five years in favour of the City, subject to satisfactory performance and any other related considerations to a maximum of \$682,650 including contingency, applicable taxes and annual consumer price index (CPI) rate increases.

INTENT

The intent of this report is to obtain Council approval to award Contract No. 1220-040-2022-102 to ClearTech Industries Inc. ("ClearTech") for the provision of pool chemicals in City aquatic facilities.

BACKGROUND

On September 30, 2022, the City's contract with ClearTech for supply of pool chemicals for the five indoor aquatic facilities expired and the contract was extended for an additional six-month period (until March 30, 2023). ClearTech has been providing these services since 2004. The City has participated in a co-operative procurement process in previous years through the Lower Mainland Purchasing Group ("LMPG"). The LMPG is a group of local government entities from the lower mainland that combine similar requirements into a co-operative procurement process to procure goods and services in the most cost-effective manner possible. Delays in that process in the summer of 2022 resulted in the extension of the current contract for pool chemicals in

September 2022 and the City of Surrey assumed leadership of the co-operative process to ensure its prompt completion.

DISCUSSION

Quotation Results

On December 14, 2022, a Request for Quotations 1220-040-2022-101 (the “RFQ”) was issued to identify a supplier for pool chemicals. Two proposals were received by the City from:

1. ClearTech
2. Brenntag Canada Inc.

These two pool chemical providers were the only businesses that had bid in the previous co-operative procurement process. City staff reached out to several suppliers to inform them about this RFQ process, however no additional submissions were received.

Evaluation

The City’s evaluation team evaluated the submissions for accuracy, completeness, and compliance with the RFQ and found that ClearTech was the only company that provided pricing for all chemicals needed for operation. Brenntag provided pricing for some pool chemicals, however, in all cases, the pricing was higher than that provided by ClearTech. Staff reached out to additional potential suppliers in Canada and in the United States and were unable to secure additional bids. These suppliers were either unable to supply the products or failed to reply to the solicitation. In addition, research has indicated that there can be additional complications and costs arising from shipping from the United States, including increased shipping costs, fluctuation in exchange rates and potential shipping delays resulting in operational impacts. As a Canadian-based Company, Cleartech is able to ship all product without these potential complications. ClearTech has no outstanding legal claims against the City. The City will share this evaluation with the LMPG to have the co-operative purchasing group use the results for their purchasing needs.

Legal Services Review

This report has been reviewed by Legal Services.

FUNDING

Funding for this contract is available within the 2023 Parks, Recreation and Culture Operating Budget.

Laurie Cavan
General Manager,
Parks, Recreation & Culture