



MUNICIPALITY OF **West Elgin**

Staff Report

Report To: Tri County Water Board
From: Magda Badura, Administrator
Date: 2022-01-25
Subject: Water Treatment Plant Operators Agreement

Recommendation:

That Tri-County Water Board hereby receives the report from Magda Badura, Administrator re: Water Treatment Plant Operators Agreement; and

That Tri-County Water Board hereby direct staff to _____

Purpose:

The purpose of this report is to provide information to the Tri-County Water Board about the Water Treatment Plant Operators Agreement expiration and get the Boards direction on what steps to take.

Background:

The current operators agreement with OCWA was the result of an RFP in 2013 and was awarded to OCWA in December of 2013 for a period of 5 years from January 1, 2014 to December 31, 2019. As per article 3 of the agreement the agreement can be renewed for an additional 5 years on an on-going basis and this was renewed in 2019 with the expiry of December 31, 2023. At this time Staff wanted the Board to be aware as there are three options for the Board to consider:

Option 1

The Board could once again use the Option of Clause 3 to renew the current agreement. This clause states: "if not in default of any of the terms of Services Contract, and upon the Owner giving no more than twelve (12) months and not less than four (4) months written notice to OCWA, provided that OCWA and Owner can agree upon OCWA's remuneration for the renewal term, the Services Contract shall be renewed for an additional term of five (5) years on the same terms and conditions, save and except that OCWA's remuneration shall be agreed upon by the Owner and OCWA".

Option 2

Tender Operators Agreement. To do this the Board would be required to provide written notice to OCWA one (1) year prior to the expiration date of the agreement, so by December 31, 2022. The Board would also need to hire a consultant to write an Request for Proposal as staff do not have the experience or technical knowledge to write and evaluate such a document.

Option 3

Direct staff to negotiate a longer-term new agreement with the current operators, Ontario Clean Water Agency. According to OCWA the trend has been towards longer term contracts, in the range of 10 years.