



STAFF REPORT INFORMATION ONLY

Specialized Asbestos Removal Services Toronto Water Treatment Plants

Date:	May 15, 2007
To:	Public Works and Infrastructure Committee
From:	Executive Director, Technical Services Director, Purchasing and Materials Management Division
Wards:	All
Reference Number:	P:\2007\Wes\Tec\May\pw07020 (AFS #2806)

SUMMARY

The purpose of this report is to advise on the emergency procurement services performed and the status of asbestos removal work at various water and wastewater treatment plants in Toronto Water.

FINANCIAL IMPACT

The total funds, net of GST, allocated and committed to-date for this project are \$737,849.55 as identified below. Funding is available in the approved 2006 and 2007 Toronto Water Capital Program in the following accounts:

Capital Account Number	Capital Budget Year	Capital Account Description	Amount (Net of GST)
		R.C. Harris Water Filtration Plant	
CPW007-4	2006	Residue Management Facility Construction	\$ 1,450.00
CPW034-02	2006	Valve Refurbish	1,156.40
CPW034-03	2006	Indoor Switchgear	11,605.93
CPW055-01	2006	Service Building Rehab.	34,572.00
CPW061-03	2006	Building Grounds Rehab.	<u>8,883.88</u>
		<i>Total</i>	57,668.21
		R.L. Clark Water Filtration Plant	
CPW028-3	2006	Residue Management Facilities Construction	<u>6,405.92</u>
		<i>Total</i>	6,405.92
		F.J. Horgan Water Filtration Plant	
CPW044-01	2006	HVAC Rehab.	<u>39,559.36</u>
		<i>Total</i>	39,559.36
		Ashbridges Bay Treatment Plant	
CWW035-08	2006	Dewatering Equipment Upgrades	477,534.62
CWW038-02	2007	Controlled Substance Identification and Abatement	<u>61,484.87</u>
		<i>Total</i>	539,019.49
		Humber Treatment Plant	
CWW-005-92	2006	Modifications & Re-roofing, Digesters #1-6	4,883.14
CWW008-44	2006	WAS Upgrade Contract	23,500.00
CWW025-03	2006	PCS Plant Services	<u>5,900.00</u>
		<i>Total</i>	34,283.14
		Highland Creek Treatment Plant	
CWW036-04	2006	Effluent Pumping Station	45,702.65
		<i>Total</i>	<u>45,702.65</u>
		Design of Transformers & Switchgears	
CPW058-02	2006	Armour Heights & West Toronto Pumping Station	12,600.00
CPW058-11	2006	Rosehill Pumping Station Pumping Room	2,260.78
CPW045-02	2006	Rosehill Pumping Station Indoor Switchgear	<u>350.00</u>
		<i>Total</i>	15,210.78
		Project Total	\$737,849.55

A sole source purchase order in an amount not to exceed \$800,000 plus GST was issued to Restoration Environmental Contractors (REC) on January 6, 2006.

ISSUE BACKGROUND

Effective November 1, 2005, the *Designated Substance – Asbestos on Construction Projects and Regulation in Building and Repair Operations* Regulation of the Occupational Health and Safety Act (OHSA) was replaced by a completely revised regulation of the same name, Ontario Regulation 278/05. The new regulation places much more stringent obligations on the owners of buildings where workers, employed by the owner directly or through contractors, may work near and may disturb asbestos-containing materials (ACMs).

The new regulation does not allow for any grace period and accordingly, the immediate impacts of the new regulation on Toronto Water construction projects are as follows:

- The new regulation has changed the definition of asbestos to include non-friable materials. These materials were not required to be identified in pre-construction asbestos reports that fell under the old regulation; however, they now must be identified in pre-construction surveys and workers must be notified of their presence.
- The removal of ACMs must be performed prior to construction work commencing. Previously, the City would include the removal as part of a construction contract. The Ministry of Labour (MOL) is interpreting the new regulation as requiring that the removal be done prior to awarding the construction contract, wherever feasible.
- When removal of asbestos is being performed, the new regulation imposes:
 - ⇒ significant changes to respirator requirements;
 - ⇒ more stringent monitoring requirements for type 3 removals (this type of removal requires full body protection with full face mask and respirator, and shower facilities after emerging from asbestos work area);
 - ⇒ air clearance sampling requirements for all type 3 removals;
 - ⇒ an asbestos register for worker and medical surveillance for those exposed or involved in removals; and
 - ⇒ rescinds any variances that were given under the old regulation.

The changes to the OHSA had resulted in an emergency situation in that several ongoing Toronto Water Construction projects had been halted, temporarily, since the asbestos reporting and plans for abatement were made under the old regulation and did not meet the new requirements for reporting, sampling and monitoring. Furthermore, construction projects that needed to proceed were also placed, temporarily, on hold for the same reason. The ongoing projects could not proceed and future projects could not begin until full compliance was achieved with the new regulations.

COMMENTS

To ensure compliance with the OHSA, a contractor specializing in the field of hazardous materials abatement had to be retained to perform the removal of ACMs that are near or within the work areas of City construction projects. As time was also of the essence since any further delays with some of the affected projects would lead to delay/impact costs on halted construction projects and due to the emergency nature of this work, a sole source purchase order in accordance with the Toronto Municipal Code, Purchasing, Section 195-10, in an amount not to exceed \$800,000 plus GST was issued to Restoration Environmental Contractors (REC) on January 6, 2006. REC are considered experts in the field of asbestos removal. REC has the expertise and resources to perform this type of work, was ready to start immediately, and has performed this type of work in the past in City facilities satisfactorily.

From the initial engagement of REC, work also proceeded on the development of a competitive call through Purchasing and Materials Management Division to address the long term issues of asbestos abatement. This competitive call resulted in the retention of three (3) specialized firms to provide contracted services for designated substances abatement and associated services at Toronto Water and Solid Waste Management facilities for a one-year to a three-year term. The contract awards were made at Bid Committee Meeting No. 50, Item No. 50.15 on December 22, 2006. With the award of the competitive call, the emergency sole source purchase order to REC has been brought to closure, as of February 7, 2007, with a final value of \$737,849.55 Net of GST.

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