

Engineering Contracted Professional Services Wastewater Treatment Plants

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To:	Public Works and Infrastructure Committee
From:	Executive Director, Technical Services
Wards:	All
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SUMMARY

The purpose of this report is to provide an update on the annual expenditures pertaining to existing long term engineering contracted professional services agreement for the Humber Treatment Plant.

FINANCIAL IMPACT

Not applicable.

ISSUE BACKGROUND

As per Strategic Policies and Priorities Committee Report No. 18, Clause No. 7, adopted by City Council on October 1, 1998, the Department has been reporting annually on the anticipated expenditures to be made under the existing long term consulting services agreements for the three major Wastewater Treatment Plants which have extended over a long period of time.

On April 23 to 27, 2001, inclusive, and special meeting on April 30 to May 2, 2001, inclusive, City Council adopted Audit Committee Report No. 3, Clause No. 8, requesting that the annual report of existing long term consulting services agreements be expanded to include all future commitments as well as the expected completion date of the appropriate contracts.

COMMENTS

The work required to bring the three major sewage treatment plants up to their presently approved treatment capacity is proceeding on a priority basis in accordance with operational need, Ministry of the Environment (MOE) requirements and the necessity of adopting firm capacity.

At the Ashbridges Bay (ABTP) and Highland Creek (HCTP) Treatment Plants, all of the services payable under the existing long term agreements have been completed at the end of 2005 including post construction services during the one-year warranty period inclusive of the necessary “as-built” drawings and finalization of Operating and Maintenance (O&M) Manuals.

At the Humber Treatment Plant (HTP) there is one (1) project (i.e., cogeneration facility) under construction, which is incurring general office administration, and site supervision charges payable under the long term agreement. The long term agreement at the HTP will be terminated at the completion of the current contracts under construction related to the cogeneration facility.

The actual expenditures for 1992 to 2006 and estimated expenditures for 2007 for the Humber long term agreement are as follows:

Humber Treatment Plant Stage III, Construction -Expansion to 90 million gallons per day including related plant improvements and increased M.O.E. requirements - SNC-Lavalin Engineers & Constructors Inc.					
Fee (x \$1000) including GST					
	Environmental Assessment	Design	Contract Administration	Site Supervision of Construction	Total
1992 Actual	-	3685	512	550	4747
1993 Actual	-	1898	203	457	2558
1994 Actual	-	938	422	404	1764
1995 Actual	-	1636	441	504	2580
1996 Actual	-	275	565	716	1556
1997 Actual	-	60	505	600	1165
1998 Actual	-	10	770	965	1745
1999 Actual	-	-	535	876	1411
2000 Actual	-	-	672	519	1191
2001 Actual	-	-	498	465	963
2002 Actual	-	-	330	195	615
2003 Actual	-	44	257	276	577
2004 Actual	-	-	418	527	945
2005 Actual	-	27	646	252	898
2006 Actual	-	3	626	381	1010
2007 Estimate	-	-	530	260	790
Future Commitments: None; it is anticipated that the long-term agreement with SNC-Lavalin will be terminated sometime in 2008.					

In 2006, work was performed on the reconstruction of the chimney which impacts the cogeneration facility, as approved by Council at its meeting of December 5, 6 and 7, 2005 by adoption of Policy and Finance Committee Report No. 10, Clause No. 22. Currently, work is progressing on the cogeneration facility related to safety issues such as but not limited to installation of engine bypass solenoid valves for CSA/TSSA regulatory compliance; installation of coalescing filters for filtering/cleaning digester gas; and upgrading of air starter piping modifications on existing compressed air system. At the end of the successful commissioning process, there will be post-construction services during the one-year warranty period on the facility as a whole.

The cogeneration facility is the only ongoing project under construction resulting from the long term engineering services agreement at the HTP. The value of this project inclusive of the equipment supply of cogen engines, gas boilers, gas compressors and the installation of the aforementioned equipment plus associated building/infrastructure modifications is approximately \$33,000,000 including GST.

A further report will be issued in 2008 providing information on the finalization of expenditures pertaining to the existing long term consulting services agreement at the Humber Treatment Plant. The consultants' professional liability will be reviewed so as not to be compromised as a result of the termination of the engineering consulting agreement.

This report has identified actual annual expenditures for 1992 to 2006 for the engineering contracted professional services and estimated 2007 engineering consulting expenditures under the long term agreement at the Humber Treatment Plant.

Phasing-out of the long term plant agreements for engaging consultants for future treatment plant improvement was approved by Metro Council on August 10, 1994 by the adoption of Clause No. 6 of Report No. 14 of the Works Committee. Since that time, several separate consulting agreements have been approved with various firms for facility improvements and replacements at these plants that are not part of the old plant agreements. In addition to some completed assignments there are at present forty two (42) other consulting assignments underway at these three plants. In 2006 we have assigned a total of sixteen (16) new consulting agreements for plant studies, modifications or replacement of facilities in accordance with the City's corporate consultant selection policy.

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SIGNATURE

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