

**Amendment to Purchase Order 6019010
Rehabilitation of Switchgears and Transformers at Various
Filtration Plants and Pumping Stations**

Date:	February 8, 2010
To:	Public Works and Infrastructure Committee
From:	Executive Director, Technical Services Director, Purchasing and Materials Management Division
Wards:	Wards 5, 6, 11, 12, 16, 25 and 41
Reference Number:	P:/2010/Internal Services/pmmd/PW10013pmmd (AFS #11488)

SUMMARY

The purpose of this report is to request the authority to amend Purchase Order 6019010 for professional engineering services during construction related to the rehabilitation of switchgears and transformers at various filtration plants and pumping stations. The total amount being requested is \$602,243.71 net of all taxes (\$611,415.45 net of GST and HST Recoveries).

RECOMMENDATIONS

The Executive Director of Technical Services and the Director of Purchasing and Materials Management Division recommend that Public Works & Infrastructure Committee grant authority to:

1. Amend Purchase Order 6019010 for professional services with Genivar Ontario Inc. for provision of general office administration and site supervision services during construction by an additional amount of \$602,243.71 net of all taxes (\$611,415.45 net of GST and HST Recoveries).

Financial Impact

The amendment for an additional \$602,243.71 net of all taxes (\$611,415.45 net of GST and HST Recoveries) increases the current contract value from \$1,908,547.22 to \$2,510,790.93 net of all taxes (\$2,519,962.67 net of GST and HST Recoveries).

The funding for the increase is available in the 2010 Toronto Water Capital Budget and the 2011-2019 Capital Plan in account CPW058 – Transmission Facility Rehab and Replacement. The cash flow requirements for this project are \$163,671.45 in year 2010, \$305,280.00 in year 2011 and \$142,464.00 in year 2012, all net of GST and HST Recoveries).

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

BACKGROUND

The City of Toronto water treatment and supply system has numerous water treatment plants and pumping stations which supply and distribute water to all City of Toronto users. In some of these facilities the existing electrical equipment is over 25 years old and has reached its normal life expectancy and is beyond the state of economical repair.

The electrical systems in these facilities include switchgears, transformers and Motor Control Centres that distribute high, medium and low voltage power to equipment within a facility.

In 2005, RFP 9117-05-7125 was awarded to Genivar Ontario Inc. (Genivar) for general office administration and site supervision services during construction for the replacement of indoor and outdoor switchgears and transformers at seven pumping stations (West Toronto, Amour Heights, Kennedy, Lawrence, W H Johnson, Rosehill and St. Albans Pumping Stations), and the replacement of the high voltage and medium voltage electrical equipment at the R. L. Clark Water Treatment Plant based on a 249 week construction duration.

Design for the work has been completed. A total of four construction contracts have been awarded for rehabilitation work at eight different sites. The tendered contract timelines for construction for the four contracts is 606 weeks.

Previously, the purchase order was amended for an amount of \$598,874.22 net GST for an additional 178 weeks construction period for a total revised construction duration of 427 weeks, thereby revising the engineering cost related to general office administration and site supervision during construction, from \$1,309,668.00 to \$1,908,547.22. At that time, it was estimated that a reduced construction duration of 427 weeks in lieu of the full 606 weeks would be required.

COMMENTS

To date, construction has been completed at four sites. Construction at two of the three remaining sites is nearing completion. Construction at the last site, R.L. Clark Water Treatment Plant, is well underway, and work is anticipated to be completed May 30, 2012.

It is estimated at this time, that the full tendered construction contract timelines of 606 weeks is now required due to recent unforeseen issues during construction which have delayed the work progress. The most significant issue has been recent changes to Toronto Hydro Electric Service Limited (THESL) regarding City owned substations, to provide enhanced safety and protection to personnel during operations and maintenance of the equipment. These changes necessitated modifications to the equipment layout including changes to the foundation pads and cable runs at three pumping station sites. These changes were required to obtain regulatory approval from THESL. At this time, it is anticipated that construction will be completed within the original tendered construction timelines of 606 weeks.

Based on 606 weeks of actual tender construction timeline rather than the 427 weeks anticipated, an additional 179 weeks of construction services is now required. Genivar's proposal had identified an amount of \$3,364.49 per week inclusive of disbursements and exclusive of GST, for any additional general office administration and site inspection services during construction. Based on this weekly rate, the additional 179 weeks of construction services, result in an additional amount of \$602,243.71 net of all taxes, thus revising the engineering services during construction cost from \$1,908,547.22 to 2,510,790.93 net of all taxes (\$2,519,962.67 net of GST and HST Recoveries).

Based on the above additional time required, it is requested that Purchase Order 6019010 for professional services with Genivar Ontario Inc. be amended for an additional amount of \$602,243.71 net of all taxes (\$611,415.45 net of GST and HST Recoveries).

CONTACT

Dan Campeanu, P. Eng.
Senior Engineer
Technical Services
Telephone: (416) 392-4806
e-mail: dcampeanu@toronto.ca

Victor Tryl, P. Eng.
Manager, Professional Services
Purchasing and Materials Management
Telephone: (416) 397-4801
e-mail: vtryl@toronto.ca

SIGNATURE

William G. Crowther, P. Eng.
Executive Director
Technical Services

Lou Pagano, P. Eng.
Director
Purchasing and Materials Management