

**Contract Award - Contract 09FS – 66WP
Tender Call 214-2009
Ashbridges Bay Treatment Plant
D Building Upgrade**

Date:	March 22, 2010
To:	Public Works & Infrastructure Committee
From:	Executive Director, Technical Services Director, Purchasing and Materials Management Division
Wards:	Ward 32 – Beaches – East York
Reference Number:	P:/2010/Internal Services/pmmd/PW10016pmmd (AFS #9028)

SUMMARY

The purpose of this report is to advise on the results of the Tender Call 214-2009 issued for the Ashbridges Bay Treatment Plant, D Building Upgrade in accordance with specifications and drawings as required by Technical Services and to request authority to award a contract to the recommended bidder.

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. Award Contract 09FS-66WP, Tender Call 214-2009 for the Ashbridges Bay Treatment Plant(ABTP), D Building Upgrade in the amount of \$85,130,380.80 net of GST and HST Recoveries, to Kenaidan Contracting Ltd., having submitted the lowest bid meeting specifications in conformance with the Tender requirements.

FINANCIAL IMPACT

The total contract award identified in this report is \$83,658,000.00 net of all applicable taxes and charges. The cost to the City is \$85,130,380.80 net of GST and HST Recoveries. The funding for the contract award of \$85,130,380.80 net of GST and HST

Recoveries is included in the approved 2010 Toronto Water Capital Budget and 2011-2019 Capital Plan in WAS Element CWW042 – Ashbridges Bay WWTP.

The cash flow requirements for this project net of GST and HST Recoveries are \$4,986,240.00 in 2010, \$19,537,920.00 in 2011, \$19,240,780.80 in 2012, \$13,788,480.00 in 2013, \$13,788,480.00 in 2014, \$13,788,480.00 in 2015.

The engineering estimate for this project was \$74,000,000.00 net of GST. The increased cost is due to inclusion in this contract of additional equipment and appurtenances designed under other projects that overlap with the D Building work in time and space. This approach will prevent the City from being designated as the Constructor under the Occupational Health and Safety Act.

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

BACKGROUND

The overall scope of the D Building upgrade includes significant improvements to the preliminary process area, odour control, and ventilation and electrical systems.

The D Building process upgrades include new screens, a new grit removal system, new handling and loading systems for screenings and grit. The project also includes the realignment of existing conduits and construction of a new split flow conduit in order to improve treatment and flow management during major wet weather events.

The odour control system for D Building includes a new biofilter with a dedicated stack. This system was selected following a one year pilot test of biological odour control units. The project will also render the preliminary process areas compliant with the current electrical and fire protection standards due to the installation of new ventilation and electrical systems.

Tender Call 214-2009 was issued by Purchasing and Materials Management Division and was advertised in the Daily Commercial News on November 30, 2009 and on the City's Internet Website.

The Purchasing and Materials Management Division at its Public Opening held on February 12, 2010, opened the following bids for Contract 09FS-66WP, Tender Call 214-2009, for the Ashbridges Bay Treatment Plant, D Building Upgrade and Odour Control.

<u>Tenderer</u>	<u>Total Tender Price Including All Charges Net of GST</u>
Kenaidan Contracting Ltd.	\$83,658,000.00*
Torbear Contracting Inc	\$88,910,095.00
Alberici Constructors Ltd.	\$95,995,000.00

*For Kenaidan Contracting Ltd. the amount net of GST and HST Recoveries is \$85,130,380.80.

COMMENTS

The Tender documentation submitted by the recommended bidder has been reviewed by the Executive Director of Technical Services and was found to be in conformance with the Tender requirements.

Technical Services staff have compared the bid to the estimated cost and found the price of the recommended bidder to be reasonable given the tender prices of all bidders.

The Fair Wage Office has reported that the recommended firm has indicated that it reviewed and understands the Fair Wage Policy and Labour Trades requirements and has agreed to comply fully.

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SIGNATURES

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