

MEETING DATE: November 28, 2001

SUBJECT: Procurement Authorization Upgrade/Replacement Of Above Ground Tanks At Various Locations - Contract G60-77

RECOMMENDATION

It is recommended that the Commission authorize the acceptance of the tender submitted by W.A. Stephenson Contracting Limited in the amount of \$448,000.00, and a specified option to provide Environmental Impairment Liability Insurance in the amount of \$1,000.00, for a total of \$449,000.00, for Contract G60-77 - Upgrade/Replacement of Above Ground Tanks at Various Locations.

FUNDING

Sufficient funds for this expenditure are included in project 6.1 Environmental Programs (as set out on pages 985 to 993 of the Legislative Category) of the TTC 2001-2005 Capital Program, which was approved by the City of Toronto on April 30, 2001.

BACKGROUND

As part of the Environmental Program, the Commission is required to upgrade active above ground storage tanks in order to ensure compliance with legislative and regulatory requirements of the New Liquid Fuel Handling Code and Environmental Protection Act.

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DISCUSSION

The Work of the Contract includes extension of primary and emergency venting to outside of buildings; removal and disposal of existing products, tanks and piping; supply of new tanks and piping; provision of secondary containments, protective bollards and monitoring system at various locations.

Tender documents were prepared for Contract G60-77 Upgrade/Replacement of Above Ground Tanks at Various Locations and a Request for Tenders was publicly advertised in the Daily Commercial News on September 26, 2001. Ten companies requested copies of tender documents out of which six submitted tenders as summarized in Appendix 'A'.

The lowest tender was received from W.A. Stephenson Mechanical Contractors Limited in the amount of \$448,000.00 and included no exceptions or qualifications. W.A. Stephenson Mechanical Contractors Limited also submitted pricing for the

Specified Option to provide Environmental Impairment Liability Insurance in the amount of \$1,000.00, which staff recommend acceptance. They also submitted an alternate product level monitoring system with a cost saving of \$10,000.00. This alternate was reviewed by staff and was deemed not acceptable. They have satisfactorily completed work of a similar size and nature for the Commission in the past, and they are considered commercially and technically acceptable.

The Agreement to Bond submitted by the Contractor covers both a Labour and Material Payment Bond and a Performance Bond. The Surety Company noted on the tender is licensed to transact business under the Insurance Act of Ontario.

Wiggins Mechanical Contractors Ltd. submitted the second lowest priced tender and also did not state any exceptions or qualifications. The tender form submitted by Wiggins Mechanical Contractors Ltd. indicated receipt and inclusion of only the first three of five addenda issued, therefore it is considered commercially non-compliant and unacceptable.

JUSTIFICATION

The tender submitted by W.A. Stephenson Mechanical Contractors Limited is the lowest priced compliant tender.

November 15, 2001

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Attachment

APPENDIX 'A'

UPGRADE/REPLACEMENT OF ABOVE GROUND TANKS

AT VARIOUS LOCATIONS

CONTRACT G60-77

TENDERS RECEIVED

COMPANY	BASE TENDER
W.A. Stephenson Mechanical Contractors Limited	\$448,000.00
Wiggins Mechanical Contractors Ltd.	\$464,500.00
Ross Clair/Division of R.O.M.	\$498,000.00
Cannington Construction Limited	\$608,000.00
Black & McDonald	\$670,952.00
Bomben Plumbing & Heating	\$696,000.00
Engineer's Estimate	\$550,000.00

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