

MEETING DATE: October 22, 2003

SUBJECT: Procurement Authorization Fire Ventilation Upgrade York Mills Station
Contract Y60-11

RECOMMENDATION

It is recommended that the Commission authorize the acceptance of the tender submitted by The State Group Industrial Limited in the amount of \$7,160,112.00 for Contract Y60-11, Fire Ventilation Upgrade - York Mills Station, and an additional amount of \$80,000.00 for the selected Specified Option providing variable frequency fan drives. The total amount of the recommended award is \$7,240,112.00.

FUNDING

Sufficient funds for the above expenditures are included in Program 3.9 – Buildings and Structures – Fire Ventilation Upgrade, (as set out on pages 563-580, State of Good Repair/Safety Category), of the TTC 2003-2007 Capital Program which was approved by City Council on February 26, 2003.

BACKGROUND

The purpose of the Fire Ventilation Upgrade project is to upgrade the existing subway ventilation system to provide sufficient ventilation capacity to protect patrons and employees in the event of a major fire in the subway system by the installation of high capacity fans and other related equipment.

This is the first of a series of contracts and related work over the next several years designed to bring the subway to a level of safety and adequacy commensurate with the requirements of the Ontario Building Code.

DISCUSSION

Contract Y60-11, Fire Ventilation Upgrade - York Mills Station, provides for all the work required to construct the facilities and to supply and install all the necessary materials and equipment in order to deliver an operational emergency fire ventilation system for York Mills Station.

A request for tenders was publicly advertised on the TTC's Web site on June 25, 2003. Twenty-six (26) companies requested copies of the tender documents, out of which three (3) submitted tenders as summarized in Appendix A.

The State Group Industrial Ltd. (State) submitted the lowest priced base tender and the lowest price for the Specified Option recommended for acceptance. They did not state any exceptions or qualifications, nor did they submit any alternatives for consideration. Only the acceptance of the Specified Option for substitution of two soft starters with variable frequency fan drivers is recommended. The additional cost is considered reasonable.

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. State have satisfactorily performed previous work for the Commission of a similar size and nature. They are considered commercially and technically acceptable and also financially capable of performing the work.

Consolidated Canadian Contractors submitted the second lowest priced base tender and the second lowest price for the Specified Option recommended for acceptance. They did not state any exceptions or qualifications nor did they submit any alternatives. Consolidated Canadian Contractors have satisfactorily completed previous work for the Commission. They are considered commercially and technically acceptable.

JUSTIFICATION

The tender submitted by The State Group Industrial Ltd. is the lowest priced tender.

October 9, 2003

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Attachment – Appendix A

APPENDIX A

Fire Ventilation Upgrade

York Mills Station

Contract Y60-11

SUMMARY OF TENDERS

COMPANY	BASE TENDER PRICE	RECOMMENDED SPECIFIED OPTION*	TOTAL
Group Industrial Ltd.	\$7,160,112.00	\$80,000.00	\$7,240,112.00
d Canadian	\$7,588,970.00	\$95,000.00	\$7,683,970.00
rporation	\$7,738,400.00	PRICE NOT SUBMITTED	N/A
timate	\$7,600,000.00		

***Substitution of soft starters with variable frequency fan drives.**