

MEETING DATE: August 31, 2005

SUBJECT: Procurement Authorization McBrien Building Computer Room Ups And Backup Power Generator Contract S5-24

RECOMMENDATION

It is recommended that the Commission authorize the acceptance of the tender submitted by Dig-Con International Limited (Dig-Con) in the amount of \$754,535.00 for Contract S5-24, McBrien Building - Computer Room UPS and Backup Power Generator.

FUNDING

Sufficient funds for this expenditure are included in Project 2.2 Power Distribution/Electric Systems under Davisville Computer Room, Uninterruptible Power Supply and Backup Power Generator, as set out on pages 207-211 Category State of Good Repair/Safety of the 2005-2009 TTC Capital Program, as approved by City Council on February 23, 2005.

BACKGROUND

The Information Technology Services (ITS) Department is in the process of consolidating its client server environment and centralizing control from the McBrien Building computer room. As more and more servers are relocated to the McBrien Building computer room, the ability of the existing electrical power infrastructure to support these systems becomes a primary concern.

In the event of a short-term power failure, the existing, aging UPS is designed to maintain the system operational to allow for a controlled manual shutdown of all the computer equipment. At over 15 years of age, it has exceeded its effective life cycle and its maintenance is becoming increasingly problematic due to the lack of spare parts. Replacing the UPS with an up-to-date model will eliminate these maintenance concerns and will provide much needed monitoring and communication.

In the event of a long-term power failure, a backup power generator is needed for continued operation of all the mission critical computer systems in the McBrien Building Computer Room.

Contract S5-24 includes supply and installation of a diesel generator, the replacement of the UPS system and associated electrical distribution in the McBrien Building.

DISCUSSION

Tender documents were prepared for Contract S5-24 McBrien Building - Computer Room UPS and Backup Power Generator and a Request for Tenders was posted on TTC's Web site as of June 17, 2005. Thirteen (13) companies requested copies of tender documents out of which four (4) submitted tenders as summarized in Appendix 'A'.

Ontario Electrical Construction Co. Ltd. (Ontario Electrical) submitted the lowest priced tender. However, Ontario Electrical indicated in its tender that it acknowledges that the terms and conditions of addenda 1 and 2 form part of its bid. The TTC only issued one addendum; therefore Ontario Electrical, by acknowledging that the terms and conditions of two addenda form part of its bid, has made an obvious error on the face of the tender and their tender is not capable of being accepted.

Dig-Con submitted the second lowest priced tender and did not state any exceptions or qualifications. They have previously worked for the Commission. However, the size and nature of the work done was

smaller with less complexity and different from that requested in this tender, therefore, reference checks for Dig-Con were completed which indicate that they have satisfactorily performed work of a similar size and nature in the past. Their tender is considered acceptable.

Consolidated Canadian Contractors (1031644 Ontario Inc.) submitted the third lowest priced tender and also did not state any exceptions or qualifications and their tender is considered acceptable.

The Agreement to Bond submitted by Dig-Con 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.

The successful Tenderer will be required to execute a Performance Bond and Labour and Material Payment Bond each in the amount of 50% of the contract value.

JUSTIFICATION

The tender submitted by Dig-Con International Limited is the lowest priced acceptable tender.

August 18, 2005
50-149-11
1079636

Attachment

APPENDIX 'A'

**MCBRIEN BUILDING
COMPUTER ROOM UPS AND BACKUP POWER GENERATOR
CONTRACT S5-24**

SUMMARY OF TENDERS

	<u>Tender Price</u>
1. Ontario Electrical Construction Co. Ltd.	\$675,332.00 **
2. Dig-Con International Limited	\$754,535.00 *
3. Consolidated Canadian Contractors (1031644 Ontario Inc).	\$779,000.00
4. The State Group Ltd.	\$782,000.00
* Recommended for Award	
** Tender is unacceptable	
ENGINEER'S ESTIMATE	\$850,000.00