

TORONTO TRANSIT COMMISSION

REPORT NO.

MEETING DATE: June 13, 2007

SUBJECT: Fire Ventilation Upgrade Finch Station Contract Y60-7 Procurement Authorization

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RECOMMENDATION

It is recommended that the Commission authorize the acceptance of the tender submitted by The State Group Inc. in the amount of \$18,840,000.00 for Contract Y60-7, Fire Ventilation Upgrade – Finch Station.

FUNDING

Sufficient funds for the above expenditures are included in Program 3.9 – Buildings and Structures – Fire Ventilation Upgrade, (as set out on pages 751-765), of the TTC 2007-2011 Capital Program which was approved by City Council on March 7, 2007.

BACKGROUND

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

Finch is the second location under the Fire Ventilation Upgrade project to improve the ventilation system. Work at the first location, York Mills Station, is near completion.

DISCUSSION

Contract Y60-7, Fire Ventilation Upgrade – Finch 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 at Finch Station. The work under this contract is more extensive than the York Mills contract including enlarging vent shafts to accommodate two underground fan assembly rooms, work in the Finch Tail Track, supply of stand by parts, fan monitoring system and remedial work at York Mills in support of the fire ventilation systems.

A request for tenders was publicly advertised on the TTC's Web site on March 9, 2007. Twenty (20) contractors and equipment suppliers requested copies of the tender documents, out of which three (3) companies submitted a tender as summarized in Appendix A.

The State Group Inc. (State) submitted the lowest priced tender and is recommended for acceptance. They did not state any exceptions or qualifications, nor did they submit any alternatives for consideration. Their tender is considered acceptable.

The Agreement to Bond submitted by State 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.

Based on a review of State's financial statements, it appears they have the financial capability to perform the work. State has satisfactorily performed previous work for the Commission of a similar size and nature.

Bondfield Construction Company Limited submitted the second lowest priced tender. They did not state any exceptions or qualifications nor did they submit any alternatives. Their tender is considered acceptable.

Dig-Con International Limited submitted the third lowest priced tender and also did not state any exceptions or qualifications nor did they submit any alternatives. Their tender is considered acceptable.

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

JUSTIFICATION

The tender submitted by The State Group Inc. is the lowest priced tender.

May 15, 2007

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Attachment – Appendix A

APPENDIX A

Fire Ventilation Upgrade

Finch Station

Contract Y60-7

SUMMARY OF TENDERS

COMPANY	BASE TENDER PRICE
1. The State Group Inc.*	\$18,840,000.00
2. Bondfield Construction Company Limited	\$22,994,580.00
3. Dig-Con International Limited	\$27,368,000.00
Engineer's Estimate	\$18,000,000.00

*Recommended company for award

