

Procurement Authorization Underground Storage Tanks Replacement Malvern, Wilson And Eglinton Garages Hillcrest And Greenwood Complex Contract No: G60-187

Meeting Date: April 23, 2008

Subject: Procurement Authorization Underground Storage Tanks Replacement Malvern, Wilson And Eglinton Garages Hillcrest And Greenwood Complex Contract No: G60-187

Action Item: X

Recommendation

It is recommended that the Commission authorize the acceptance of the tender submitted by The Cannington Group Inc. (Cannington) and award of a contract in the amount of \$4,466,417.80 for Contract G60-187 Underground Storage Tanks Replacement – Malvern, Wilson and Eglinton Garages; Hillcrest and Greenwood Complex on the basis of lowest tendered and evaluated price.

Funding

Sufficient funds for this expenditure are included in Project 6.1 Underground Storage Tanks Removal (as set out on pages 1307 to 1309 Legislative Category) of the TTC 2008-2012 Capital Program, which was approved by Toronto City Council on December 11, 2007.

Background

There are five single wall underground steel storage tanks and two underground spill containment tanks, with capacities ranging from 550 gallons to 20,000 gallons located at Malvern Garage, Greenwood Complex and Hillcrest Complex. These tanks were installed approximately 20 years ago. The life expectancy of underground storage tanks is approximately 20 years.

Five single wall underground steel tanks will be replaced with double wall above ground tanks. Two underground spill containment tanks will be replaced with fibre reinforced plastic underground tanks.

In addition, two new above ground diesel fuel storage tanks are required, one at Eglinton Garage and one at Wilson Garage in order to provide extra fuel storage capacity.

A total of nine new tanks will be installed under this contract.

Discussion

The work of this contract consists of the supply of all labour and materials to remove, dispose and replace seven existing tanks and the supply of all labour and materials to install two new tanks as described above.

Specifications and drawings were prepared for Contract G60-187 and a Request for Tenders was posted on the Commission's Web site as of February 27, 2008. Fourteen companies requested copies of the tender documents, out of which five submitted a tender and are summarized on the attached spread sheet analysis.

Cannington submitted the lowest priced tender and did not state any exceptions or qualifications. As work performed for the Commission was more than five years ago, reference checks were completed which indicate that they have satisfactorily performed work of a similar size and nature in the past. The "Unit Prices for Extra Work" are considered acceptable. Their tender is considered acceptable.

Black and McDonald Limited submitted the second lowest priced tender and also did not state any exceptions or qualifications and their tender is considered acceptable.

Dig-Con International Limited submitted the third lowest priced tender and also did not state any exceptions or qualifications and their tender is considered acceptable.

There were no alternatives offered by any of the Tenderers.

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.

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 Cannington is the lowest priced acceptable tender.

April 23, 2008

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Appendix 'A'

Procurement Authorization Underground Storage Tanks Replacement Malvern, Wilson & Eglinton
Garages Hillcrest And Greenwood Complex Contract No: G60-187

Summary Of Tenders

Company/ Tendered Price:

The Cannington Group Inc.- \$4,466,417.80

Black and McDonald Limited - \$5,217,000.00

Dig-Con International Limited - \$6,497,400.00

Quantum Murray LP - \$7,145,000.00

Yukon Construction Inc. -\$7,945,350.00

Engineer's Estimate \$5,800,000.00

Note: The Cannington Group Inc. is the recommended company for award.