

# Procurement Authorization Wind Barrier And Additional Heaters For Wilson Garage And Arrow Road Garage

Meeting Date: June 18, 2008

Subject: Procurement Authorization Wind Barrier And Additional Heaters For Wilson Garage And Arrow Road Garage

## Recommendation

It is recommended that the Commission authorize the award of a contract submitted by Varcon Construction Corporation (Varcon) in the amount of \$1,096,415.25 for Contract G60-150, Wind Barrier and Additional Heaters for Wilson Garage and Arrow Road Garage.

## Funding

Sufficient funds for this expenditure are included in Project 3.9 Buildings and Structures, under Bus Garage Shop Facility Renewal Program, as set out on pages 985-990, Category State of Good Repair/Safety of the TTC 2008-2012 Capital Program which was approved by City Council on December 11, 2007.

## Background

The existing heating equipment and the layout of service lines and special clean areas are inadequate at Wilson and Arrow Road Garages. Consequently, this results in a cold working environment and freezing water in the areas which impact the ability to dry out buses sufficiently prior to service during winter months.

The work under this contract consists of the construction of a wind barrier wall with high speed roll up doors to enclose the service bay in Wilson Garage, improve the heating system and ductwork in special clean areas and service lines at Wilson and Arrow Road Garages.

## Discussion

Specifications and drawings were prepared for Contract G60-150 and a Request for Tenders was posted on the TTC's website as of March 25, 2008. Eight companies requested copies of the tender documents, out of which three submitted a tender. (See Appendix 'A').

Varcon submitted the lowest priced tender and did not state any exceptions or qualifications. As they have not previously worked for the Commission, reference checks were completed which indicate that they have satisfactorily performed work of a similar size and nature in the past. Their tender is considered acceptable.

Alpeza General Contracting Inc. submitted the second lowest priced tender and also did not state any exceptions or qualifications. An alternative was submitted with their submission for a reduction of \$10,000.00 for a rolling speed door; however, it does not alter the ranking of the bids and would be subject to technical evaluation. Their tender is considered acceptable.

Servocraft Limited 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 Varcon covers both a Labour and Material Payment Bond and a Performance Bond and was submitted by Travelers Guarantee Company of Canada, who have been verified as a Surety Company 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 Varcon Construction Corporation is the lowest acceptable tender.

May 21, 2008

50-11-10

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Attachments – Appendix 'A'

## **Appendix 'A'**

Wind Barrier and Additional Heaters for Wilson and Arrow Road Garage Contract G60-150

### Summary Of Tenders

#### Company Tendered Price

1. Varcon Construction Corporation - \$1,096,415.25
2. Alpeza General Contracting Inc. - \$1,460,308.50
3. Servocraft Limited - \$1,803,322.50

Engineer's Estimate \$1,550,000.00

Note: Varcon Construction Corporation is the recommended company for award.