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BLACK CREEK PUMPING STATION UPGRADES CONTRACT AWARD

The Transportation and Works Committee recommends the adoption of the recommendations contained in the following report, August 24, 2005, from the Commissioner of Transportation and Works:

1. RECOMMENDATIONS

It is recommended that:

1. The Region enter into a contract with Industrial Electrical Contractors Limited for the Upgrades to the Black Creek Pumping Station for \$4,975,000 exclusive of applicable taxes.
2. The Regional Chair and Regional Clerk be authorized to sign the contract with Industrial Electrical Contractors Limited, subject to review by Legal Services.

2. PURPOSE

The purpose of this report is to outline the rationale for entering into a contract with Industrial Electrical Contractors Limited to carry out work associated with the Black Creek Pumping Station Upgrades.

3. BACKGROUND

The Black Creek Pumping Station is an intermediate sanitary sewage pumping station on the YDSS route along Steeles Avenue from the Humber Pumping Station to the Leslie Street Pumping Station. The Black Creek Pumping Station Assessment, completed by KMK Consultants Limited in 2002, identified improvements necessary to accommodate projected flows for this pumping station, as well as to ensure the integrity of the pumping station operation by replacing deteriorating equipment. This contract is to implement those improvements.

It is necessary to increase the capacity of the station as soon as possible in order to accommodate projected flows that will continue to increase at this station until the Peel diversion at the Humber Pumping Station is fully implemented.

4. ANALYSIS AND OPTIONS

Tender No. T-05-15 for this contract closed on June 28, 2005. A total of six bids were received. A summary of the bids, excluding GST, is shown in Table 1.

Table 1
Tender Results

Name of Company	Total Price
Industrial Electrical Contractors Limited *	\$4,975,000.00
Robert B. Somerville, A Division of Robert McAlpine Ltd. *	\$5,111,000.00
Procon Niagara, A Division of 1149855 Ontario Inc. *	\$5,175,084.00
W.A. Stephenson Mechanical Contractors Limited *	\$5,530,000.00
Detra Builders Inc.*	\$5,749,684.11
Torbear Contracting Inc.*	\$6,299,065.42

*Each of the bidders failed to submit prices for all the items listed in Schedule A to the Bid Form as required.

Paragraph 4 of the Information for Bidders states that the bidder “... *shall give the price for each item of work proposed...*”. Furthermore paragraph 23 of the Bid Form states that the “...*itemized bid with the breakdown of the total price is set forth in Schedule A*”.

Given that Schedule A was not properly completed, paragraph 8 of the Information for Bidders is relevant as it states that “*Bids which are late, incomplete, illegible ... may be rejected by the Region*”. Additionally, Section 3.8 of the Region’s Tendering/Proposal Procedures indicates that in instances where all items are not bid, the bid will be found to be informal and will be rejected.

All the bidders responding to this tender call failed to meet the requirement for responsiveness as detailed above. The Bid Review Committee (consisting of staff from Supplies and Services, the Legal Branch, and the Transportation and Works Department) unanimously agreed to recommend the award of this tender to the lowest bidder, Industrial Electrical Contractors Limited. The option of re-tendering the project would cause further delay to a project that is urgently needed to replace deteriorating equipment and to increase the capacity of the station, both needed to minimize the possibility of a spill.

Since all bids were ruled non-responsive by the Bid Review Committee for failure to complete the detailed pricing, but there was no problem with the total lump sum prices, it was deemed appropriate to award the contract to the Bidder who quoted the lowest price. Therefore, it is recommended that the Regional Chair and Regional Clerk be authorized to sign the necessary agreement(s) with Industrial Electrical Contractors Limited for the Black Creek Pumping Station Upgrades, subject to review by Legal Services.

5. FINANCIAL IMPLICATIONS

The total contract price provided in the tender from Industrial Electrical Contractors Limited is \$4,975,000 exclusive of GST. The Purchasing By-Law allows for fifteen per cent contingency to address potential issues that remain unknown at project initiation. This contingency amount is \$746,250, however, it will not be activated unless required. There are sufficient funds identified in the approved 2005 budget to accommodate work anticipated for this year.

6. LOCAL MUNICIPAL IMPACT

This project will refurbish deteriorating equipment and increase the station capacity to accommodate increasing flows from new development in the City of Vaughan.

7. CONCLUSION

It is recommended that the Regional Chair and Regional Clerk be authorized to enter into a contract with Industrial Electrical Contractors Limited for the Upgrades to the Black Creek Pumping Station for \$4,975,000 exclusive of GST.

Sufficient funds are included in the approved 2005 budget to accommodate work anticipated for this year, and funding for the balance of the project has been included in the proposed 2006 budget.

The Senior Management Group has reviewed this report.