

REGULAR COUNCIL

TO: Mayor & Council **DATE: May 25, 2017**
FROM: General Manager, Engineering **FILE: 5515-103**
SUBJECT: Award of Contract M.S. 5515-103
Temporary District Energy Heating Plant at 9639 - 137A Street

RECOMMENDATION

The Engineering Department recommends that Council:

1. Award Contract M.S. 5515-103 to Quadra Mechanical Ltd. in the amount of \$478,242.45, including GST, for the construction of a temporary gas fired boiler heating plant and an energy transfer station in a customer building located at 9639 - 137A Street;
2. Set the expenditure authorization limit for Contract M.S. 5515-103 at \$527,000.00, including GST and contingency; and
3. Authorize the General Manager, Engineering to execute Contract M.S. 5515-103.

SCOPE OF WORK

The construction package related to this contract consists of gas fired heating boilers, distribution pumps, heat exchanger, energy metering equipment and all associated electrical and controls (the “works”) at the location illustrated on the map attached to this report as Appendix “I”.

It is more cost effective for the utility to provide the works at 9639 – 137A Street at this time as opposed to extending the district energy network to this location. In addition to servicing the customer at 9639 – 137A Street, the works are also sufficiently sized to support a second future development.

As development progresses in this area, the utility will extend the district energy network to this location and decommission the gas fired heating boiler, which can then be reinstalled at another location in the future.

The contract work is expected to start on June 15, 2017, and be completed by December 15, 2017.

RFQ RESULTS

Requests for Quotations (“RFQ’s”) for the subject contract were opened on May 3, 2017 by the Purchasing Section with the following results:

<i>Contractor</i>	<i>RFQ Amount with GST</i>	<i>Corrected Amount</i>
1. Quadra Mechanical Ltd.	\$467,025.30	\$478,242.45
2. Division 15 Mechanical Ltd.	\$478,002.00	\$495,016.20
3. Trotter & Morton Building Technologies Inc.	\$498,372.00	No Change
4. All-Pro Services Ltd.	\$509,844.55	No Change
5. PML Professional Mechanical Ltd.	\$524,055.00	No Change
6. Ram Mechanical Ltd.	\$610,260.00	No Change

The Engineer’s budget estimate was \$522,190 including GST.

EVALUATION

The City received 7 RFQ submissions, and upon review for accuracy and completeness, one of the submissions was found to not meet the specifications of the RFQ as the boilers did not meet the output capacity. Of the compliant tenders, there was one arithmetic error that had no bearing on the outcome of the tender process. All compliant submissions included the required 10% bid bond, were signed on the Tender Form, and were initialed on the Summary Sheet of the Schedule of Quantities and Prices.

The low compliant bidder, Quadra Mechanical Ltd., meets the technical specifications, has provided a Consent of Surety for a Performance Bond and a Labour & Materials Bond, and has agreed to complete the work by December 15, 2017, as stipulated in the contract. Quadra Mechanical Ltd.’s past performance on similar work has been satisfactory. They have no outstanding legal claims against the City. It is recommended that Quadra Mechanical Ltd. be awarded Contract M.S. 5515-103.

SUSTAINABILITY CONSIDERATIONS

The work of this contract supports the objectives of the City’s Sustainability Charter. In particular, this project relates to the Sustainability Charter theme of Built Environment and Neighbourhoods. Specifically, the contract supports the following Desired Outcomes:

- Buildings and Sites DO 13: Buildings are healthy and energy and resource efficient;
- Buildings and Sites SD 13: Continue to support low-carbon district energy networks; and
- Buildings and Sites SD 14: Promote and strengthen high quality design and healthier, more energy efficient buildings in public and private development.

FUNDING

Funding for this contract is available in the approved 2017 District Energy Budget.

Fraser Smith, P.Eng., MBA
General Manager, Engineering

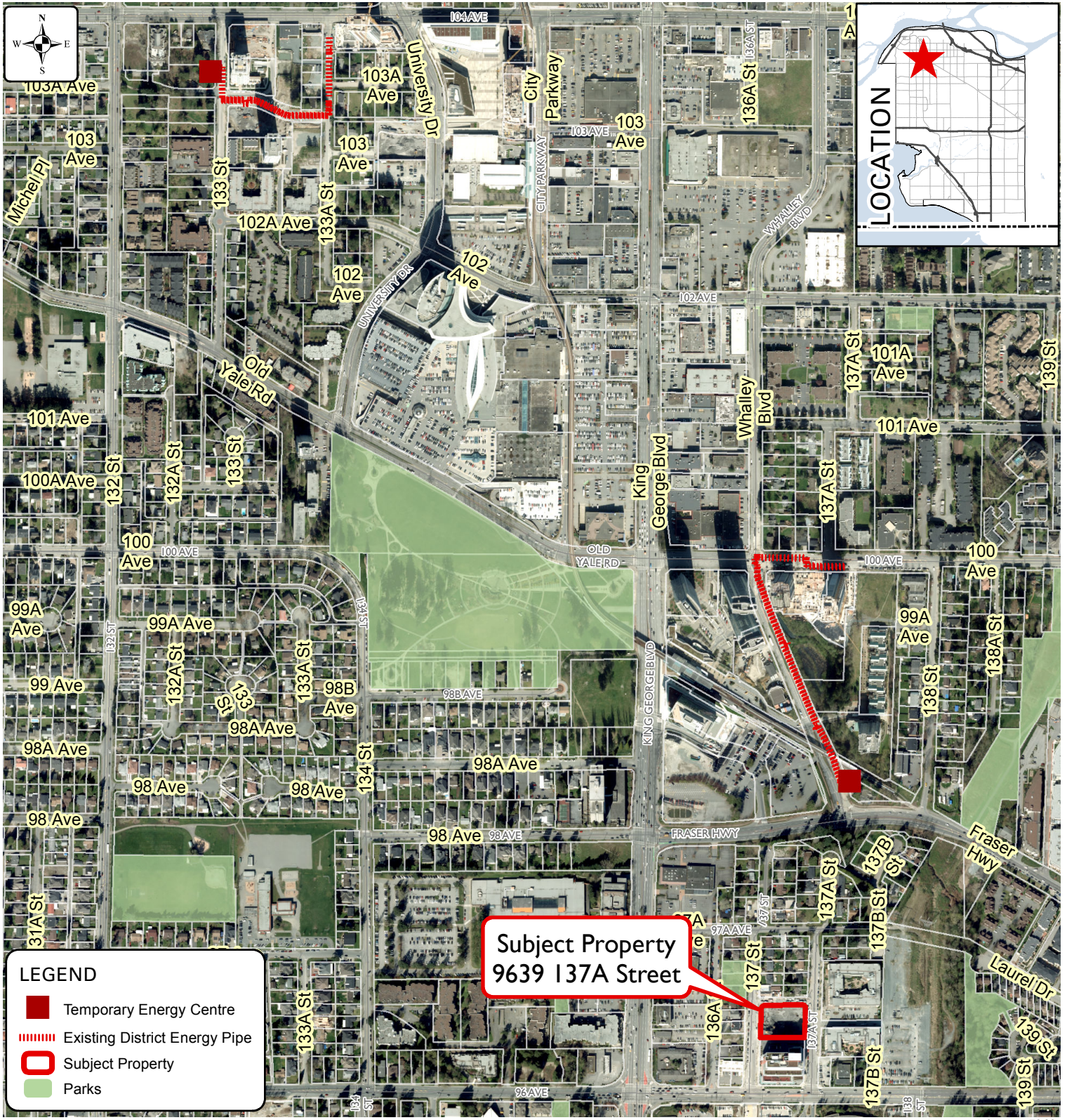
JA/SBN/DHM/cc

Appendix "I" – Map of Location – Contract M.S. 5515-103

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AERIAL PHOTOGRAPH OF SITE

APPENDIX "I"



Produced by GIS Section: 25-May-2017, P123723

Date of Aerial Photograph: March 30, 2016

Scale: 1:8,000

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Contract M.S. 5515-103
Heating Plant at 9639 – 137A Street

ENGINEERING
DEPARTMENT