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TO:	CHAIR AND MEMBERS CIVIC WORKS COMMITTEE MEETING ON MARCH 3, 2014
FROM:	JOHN BRAAM, P. ENG. MANAGING DIRECTOR – ENVIRONMENTAL & ENGINEERING SERVICES & CITY ENGINEER
SUBJECT:	CONTRACT AWARD: 2014 WATERMAIN CLEANING AND STRUCTURAL LINING TENDER NO 13-115

RECOMMENDATION

That, on the recommendation of the Managing Director, Environmental & Engineering Services & City Engineer, the following actions **BE TAKEN** with respect to the award of contract for the 2014 Watermain Cleaning and Structural Lining Project. (EW3563-14).

- (a) the bid submitted by Fer-Pal Construction Ltd., 169 Fenmar Drive, North York, Ontario, M9L 1M6, at its tendered price of \$4,157,466.00 (excluding H.S.T.), for the 2014 Watermain Cleaning and Structural Lining Program, **BE ACCEPTED**; it being pointed out that the bid submitted by Fer-Pal Construction Ltd. was the lowest of two bids received and meets the City's specifications and requirements in all areas;
- (b) it **BEING NOTED** that this is the first year of a three year contract, where the City has the sole discretion to renew the contract for two additional years based on price and performance;
- (c) the financing for this project **BE APPROVED** as set out in the Sources of Financing Report attached hereto as Appendix "A";
- (e) the Civic Administration **BE AUTHORIZED** to undertake all the administrative acts that are necessary in connection with this project;
- (f) the approval given herein **BE CONDITIONAL** upon the Corporation entering into a formal contract or issuing a purchase order for the material to be supplied and the work to be done relating to this project (Tender 13-115); and
- (g) the Mayor and City Clerk **BE AUTHORIZED** to execute any contract or other documents, if required, to give effect to these recommendations.

It **BEING NOTED** that there are no anticipated additional annual operating costs to the Environmental and Engineering Services budget in 2014 and subsequent years associated with approval of this project. It is anticipated that this project will actually provide a savings to Water Operations by decreasing the amount of maintenance required on these newly lined sections of watermain. Operations will then be able to focus their resources on distribution system challenges including watermain flushing and lead service replacements elsewhere in the City.

BACKGROUND

Purpose:

This report recommends the award of Tender No. 13-115 to undertake watermain cleaning and structural re-lining as shown on the location map in Appendix B.

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Discussion:

Since 1989, Water Engineering has been rehabilitating watermains throughout the city using innovative trenchless technologies which include cement mortar lining and more recently structural lining. These methods allow the City to eliminate water quality problems (red water), improve fire flows, gain additional years of life from the mains and delay the need for full replacement reconstruction projects which are both expensive and socially disruptive. The water quality in these rehabilitated watermains is dramatically improved.

Over the last few years Water Engineering has been shifting its focus to structural lining, concentrating on areas of the City where there are no lead services, no other current infrastructure replacement needs (i.e. roads or sewers) and a high frequency of main breaks on Cast Iron watermains. Structural lining has proved to reduce and/or stop breaks altogether and extends the life of the watermains until such time as a full street reconstruction is required.

Two contractors had pre-qualified for this year’s program; Aqua Rehab and Fer-Pal Construction. Fer-Pal Construction is the same contractor that completed the City’s three year cement mortar lining and structural lining programs from 2007 to 2009 and from 2011 to 2013. Aqua Rehab completed the 2010 structural lining program. Currently, there are only a few contractors that have a full structural liner product with NSF 61 certification in Ontario with the capabilities and experience to complete a project of this size.

The current project, involves the cleaning and structural lining of approximately 5800 metres of watermain on Pinetree Drive, Cramston Crescent, Adevon Avenue, Valetta Street, Cayley Drive, Amberley Avenue, Sherene Terrace, Dunedin Drive, Warren Road, Oakridge Drive, Spruce Street, Haig Street, Thiel Street, Wallace Street and Dillabough Street.

The work is scheduled to take one hundred and twenty (120) working days to substantially complete and will start this spring, following approval of this report.

A Project Location map is attached as Appendix B for reference.

Tender Summary:

Tenders for the 2014 Watermain Cleaning and Structural Lining Program were opened on February 5 2014. Two (2) contractors submitted tender prices al listed below (exclusive of H.S.T.).

CONTRACTOR		TENDER PRICE SUBMITTED	CORRECTED TENDER PRICE
1.	Fer-Pal Construction Ltd	\$4,157,466.00	---
2.	Aquarehab (Canada) Inc.	\$4,523,020.00	---

All tenders have been checked by the City’s project manager.

The tender estimate just prior to tender opening was \$4,350,000 (excluding H.S.T.). All tenders include a contingency allowance of \$400,000.00 (excluding H.S.T.).

Conclusions:

Award of this contract to Fer-Pal Construction Ltd. will allow the project objectives to be met within the available budget.

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Acknowledgements:

This report was prepared within the Water Engineering Division by Dave Chromczak, Technologist.

PREPARED BY:	SUBMITTED BY:
ROLAND WELKER, P. ENG. DIVISION MANAGER WATER ENGINEERING	JOHN LUCAS, P.ENG. DIRECTOR – WATER AND WASTEWATER
RECOMMENDED BY:	
JOHN BRAAM, P. ENG. MANAGING DIRECTOR, ENVIRONMENTAL & ENGINEERING SERVICES & CITY ENGINEER	

February 27, 2014

RW/dc

Attach: Appendix "A" – Sources of Financing
Appendix "B" – Location Map
c.c. Fer Pal Construction Ltd.
Justin Lawrence

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