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TO:	CHAIR AND MEMBERS BOARD OF CONTROL MEETING ON JULY 20, 2005
FROM:	RON STANDISH, P.Eng. DIRECTOR, WASTEWATER AND TREATMENT ENVIRONMENTAL AND ENGINEERING SERVICES
SUBJECT	CONTRACT AWARD – TENDER NO. 04-34 ES3068 – SPRINGBANK DAM REHABILITATION – DESIGN, FABRICATION, AND SUPPLY OF STEEL FLAP GATES AND OPERATING EQUIPMENT

RECOMMENDATION

That, on the recommendation of the Director, Wastewater and Treatment, Environmental and Engineering Services, the following actions **BE TAKEN** with respect to the award of the second portion of a contract for the design, fabrication, and supply of steel flap gates and operating equipment for the rehabilitation of the Springbank Dam (ES3068), it being noted that the General Civil Contract for Installation of the 4 gates is planned to be tendered this summer;

- (a) the bid submitted by Linita Design and Manufacturing Limited, 383 Elmira Road, Guelph Ontario, N1K 1H3, at its tendered price of \$1,294,130.19 excluding G.S.T., for the design, fabrication, and supply of steel flap gates and operating equipment for the Springbank Dam rehabilitation, **BE ACCEPTED**; it being pointed out that the bid submitted by Linita Design and Manufacturing Limited was the lowest of two bids received and meets the City's specifications and requirements in all areas;
- (b) the financing for this project **BE APPROVED** as set out in the Sources of Financing Report attached hereto as Appendix "A";
- (c) the Civic Administration **BE AUTHORIZED** to undertake all the administrative acts that are necessary in connection with this project; and
- (d) 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 04-34).

PREVIOUS REPORTS PERTINENT TO THIS MATTER
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BOC Report of 2004-06-23, Agenda Item #2: Contract Award – Tender #04-34 – Springbank Dam Rehabilitation – Design, Fabrication, and Supply of Steel Flap Gates and Operating Equipment

ETC Report of 2004-03-29, Agenda Item #5: Environmental Assessment Report – Springbank Dam Rehabilitation and Approval of the Appointment of Consulting Engineer

ETC Report of 2003-06-30, Agenda Item #7: Appointment of Consulting Engineer And Project Manager For Springbank Dam Rehabilitation.

BACKGROUND

Purpose:

This report recommends acceptance of stage two of the bid as submitted by Linita Design & Manufacturing Limited for the design, fabrication, and supply of steel flap gates and operating equipment for the Springbank Dam Rehabilitation project.

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Context:

The Springbank Dam is owned by the City of London (City) and was originally constructed in 1929 to provide a reservoir for water supply and recreation for the city. The present purpose of the dam is primarily for recreational use with some minor flood control. The operation and maintenance of the dam is provided by the Upper Thames River Conservation Authority (UTRCA) in partnership with the City and the Environmental and Engineering Services Department (EESD).

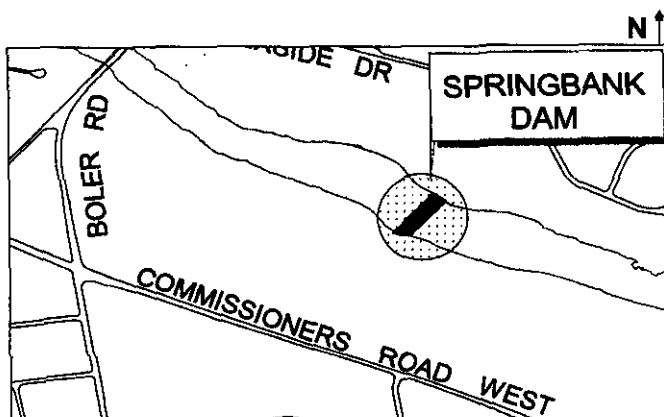
The City, with participation from the UTRCA and Acres International Limited has completed a Class Environmental Assessment (Class EA) to review design alternatives for the rehabilitation of Springbank Dam. The Springbank Dam is located on the Thames River in Springbank Park, just east of Boler Road (see map below). On the basis of the study, the City is proceeding with the implementation of the preferred solution for the Springbank Dam.

The preferred solution consists of Replacing the Existing Stop Logs, Intermediate Steel Gains and Gates of the Dam with New Overflow Gates. The necessary repair works to rehabilitate the damaged erosion protection works would also be conducted as defined in the Dam Safety Assessment Report (Acres 2002). The installation of overflow gates in the dam will greatly improve the debris passage capability of the dam and provide increased operator and public safety during high river flows. The rehabilitation of the erosion protection works will help ensure the long-term integrity and stability of the dam structure and riverbanks. Once completed, the modified Springbank Dam will continue to be operated to maintain the existing upstream water levels for summer recreation and will maintain the existing fall drawdown practice for fish passage.

The City had intended to proceed with the construction of this project over two consecutive fall/winter periods in 2004 and 2005, with completion by the end of December 2005. However, the City had agreed with the Ministry of Natural Resources to delay this construction for approximately one year amid requests from local stakeholders to explore the requirement and feasibility of constructing a fish passage structure at the dam. Any fish passage structure, if required, would be constructed as part of a future project, apart from the planned rehabilitation works. Regarding the implementing of the rehabilitation works, it has been determined that there will be two contracts on the project, generally consisting of the Gate Supply and General Civil Works on the Dam. The first contract is the design, fabrication, and supply of the steel flap gates, and is divided into two stages. Stage one consists of the design and supply of the first two steel flap gates and operating equipment, and received Council Approval on June 28, 2004. Stage two entails the supply of the third and fourth gate, plus operating equipment, with all gates scheduled to be delivered in the fall of 2005. This first contract had been structured to provide separate pricing for both stage one and stage two, allowing stage one to proceed in 2004, with the option to proceed with stage two at this time at an upset amount of \$1,294,130.19 (excluding G.S.T.).

The second contract, General Civil Works and Installation of the 4 gates at the Dam is planned to be tendered this summer in accordance with agency requirements.

Funding for the planned rehabilitation of Springbank Dam is be provided by the City and senior levels of government. The project is an approved SuperBuild project.

Location Map

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Discussion:

Stage two of the first contract – design, fabrication, and supply of the third and fourth steel flap gates is included in the approved 2005 Capital Works Budget. The tender package distributed addressed the needs for stage one and stage two of the gate supply with the understanding that the City would award stage one in 2004 and stage two at this time.

Tenders for the design, fabrication, and supply of the steel flap gates and operation equipment for stage one and stage two were opened on June 2, 2004. All tenders have been checked by the Environmental & Engineering Services Department and Acres International.

Two (2) manufacturers submitted tenders as follows (exclusive of G.S.T.):

CONTRACTOR		CORRECTED TENDER PRICE SUBMITTED – STAGE 1	CORRECTED TENDER PRICE SUBMITTED – STAGE 2	TOTAL TENDER PRICE SUBMITTED	CORRECTED TENDER PRICE
1.	Linita Design & Manufacturing Ltd.	\$1,393,450.00	\$1,304,077.40	\$2,697,516.60	\$2,697,527.40
2.	Central Welding & Iron Works	\$1,718,357.87	\$1,635,150.89	\$3,369,839.00	\$3,353,508.80

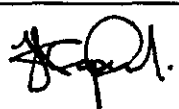

Both bids contained mathematical errors. The tendered bids were corrected, which did not affect the bids order of ranking. Note that the tendered bid from Linita Design & Manufacturing Limited contained three options complete with pricing. The price announced at the tender closing was for an option which does not meet the requirements for this project as well as another option submitted by this bidder, which is represented by the price recommended above.

The total tender estimate just prior to tender opening was \$2,350,000 (excluding 7% G.S.T.).

There are no additional operating costs anticipated for the 2005 and subsequent Environmental and Engineering Services budget associated with the approval of this project.

Acknowledgements:

This report was prepared within the Wastewater and Drainage Engineering Division by Ugo DeCandido, Environmental Services Engineer, and Brad Weber, Technologist II.

SUBMITTED BY:	RECOMMENDED BY:
	
TOM COPELAND, P. Eng. DIVISION MANAGER WASTEWATER AND DRAINAGE ENGINEERING	RON STANDISH, P.Eng. DIRECTOR, WASTEWATER AND TREATMENT ENVIRONMENTAL AND ENGINEERING SERVICES

June 29, 2005

TAC/bw
Attach: Appendix "A" – Sources of Financing

c.c. Peter W. Steblin, General Manager of Environmental and Engineering Services and City Engineer
Linita Design and Manufacturing Ltd
Acres International

APPENDIX 'A'

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#05094

Chair and Members
Board of Control

July 8, 2005
(Award Contract)

RE: Springbank Dam Rehabilitation
Design, Fabrication and Supply of Steel Flap Gates and Operating Equipment
Capital Project ES3068 - Springbank Dam Replacement Gates - Erosion
Linita Design and Manufacturing Limited - \$1,294,130.19

FINANCE AND CORPORATE SERVICES DEPARTMENT REPORT ON THE SOURCES OF FINANCING:

Finance and Corporate Services Department confirms that the cost of this project can be accommodated within the financing available for it in the Capital Works Budget and that, subject to the adoption of the recommendations of the Director, Wastewater and Treatment, the detailed source of financing for this project is:

<u>ESTIMATED EXPENDITURES</u>	<u>Approved Budget</u>	<u>Committed To Date</u>	<u>This Submission</u>	<u>Balance for Future Work</u>
Engineering	\$468,733	\$378,733		\$90,000
Construction	3,619,397	1,393,450	1,294,130	931,817
City Related Expenses	50,000	14,070		35,930
NET ESTIMATED EXPENDITURES	\$4,138,130	\$1,786,253	\$1,294,130	\$1,057,747
<u>SOURCE OF FINANCING</u>				
Drawdown from Sewage Works Reserve Fund	\$1,339,130	\$589,463	\$427,063	\$322,604
SuperBuild Funding	2,799,000	1,196,790	867,067	735,143
TOTAL FINANCING	\$4,138,130	\$1,786,253	\$1,294,130	\$1,057,747

NOTE:

- 1) There are no additional operating costs in the Environmental Services budget in 2005 and subsequent years associated with the approval of this contract award for project ES3068.

EH



Peter Christiaans
Specialist, Financial Analysis & Policy