

October 22, 2014



Report To: Doug Brown, Manager of Operations & Facilities

From: Doug Herr, Environmental & Facilities Superintendent

SUBJECT: Award Tender 14-OF-11 Water Treatment Plant Standby Generator System

The Town advertised for a Tender Call for the above project with the tender closing on Tuesday, October 21, 2014.

A mandatory site pre-tender meeting was held Tuesday October 7, 2014 at the Water Treatment Plant for all potential contractors who were interested in bidding on the project. Those who attended this meeting would be eligible to submit a bid.

Four (4) tender packages were received from Contractors; their bids are as follows:

Contractor	Price (HST included Plus \$ 13,000 Contingency Allowance)
G. Prezio Electric Ltd.	\$189,429.00
White Pine Electric Ltd.	\$221,480.00
Finn Way General Contractor Inc.	\$223,740.00
M.C. Lough Electric Ltd.	\$186,111.00

The work is scheduled to begin upon Council's award of the contract and is to be completed by February 20, 2015. The standby generator and automatic transfer switch (ATS) have been pre-purchased by the Town in September 2014.

In accordance with the Town's procurement policy, Administration has an obligation to point out to Council any tender irregularities. There were no mathematical errors with the tender bids submitted.

The spreadsheet attached outlines details on all four (4) tender bids received. Highlighted in "yellow" indicates the lowest unit bid price. The low tender bid is M.C. Lough Electric Ltd. with a total cost of \$164,700.00, which includes \$13,000 contingency allowance and no HST. Net cost to the Town is \$167,598.72.

With the purchase of the generator & ATS, Noise/Air Study, MOE Application/ESA Design Review and the cost of Electrical Design & Project Management the overall net cost to the Town is \$375,738.57. The amount budgeted in the 2014 Capital Budget is \$300,000.00, a shortfall of \$75,738.57.

Since this project is scheduled for completion in February 2015 the shortfall amount can be budgeted into the 2015 Capital Budget.

Also find attached a letter from Hatch Mott MacDonald recommending that M.C. Lough Electric Ltd. be awarded this tender as they are the low tender and have performed well on similar projects in other communities in the area.

Respectfully Submitted,

A handwritten signature in blue ink, appearing to read "D. Herr", with a horizontal line extending from the end.

Doug Herr

Schedule of Tender Prices

		White Pine Electric Ltd.	FinWay General Contractor Inc.	Prezio Electric Ltd.	MC Lough Electric
A.1	GENERAL				
	(a) Mobilization and Demobilization		\$42,000.00	\$10,175.00	\$8,000.00
	(b) Cost of Bonds and Insurance		\$4,500.00	\$4,000.00	\$4,000.00
A.2	ELECTRICAL				
	a) Install new Standby Generator System and Automatic Transfer Switch (ATS)		\$44,000.00	\$32,340.00	\$51,780.00
	b) Supply and install electrical cables, conductors, cable tray and all electrical components required to complete the job.		\$80,900.00	\$99,572.00	\$80,000.00
	c) Complete grounding and bonding including all conductors, clamps and all equipment necessary to meet specifications and/or Code.		\$11,800.00	\$3,550.00	\$4,800.00
	d) Miscellaneous junction boxes, fittings, brackets, clamps, straps, etc., as required to complete the job.		\$1,800.00	\$5,000.00	\$3,120.00
		\$183,000.00	\$185,000.00	\$154,637.00	\$151,700.00
	SECTION A - SUBTOTAL General & Electrical				
B.1	Cash Allowances				
	Contingency Allowance for Existing Switchgear Upgrades				
	Contingency Allowance for Rental Generator				
		\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00
		\$8,000.00	\$8,000.00	\$8,000.00	\$8,000.00
	SECTION B - SUBTOTAL CASH ALLOWANCES				
		\$13,000.00	\$13,000.00	\$13,000.00	\$13,000.00
	BASE BID (A+B) [excluding HST]				
		\$196,000.00	\$198,000.00	\$167,637.00	\$164,700.00
	HST at 13% on Base Bid above				
		\$25,480.00	\$25,740.00	\$21,792.81	\$21,411.00
	Total				
		\$221,480.00	\$223,740.00	\$189,429.81	\$186,111.00
Net Cost to the Town		\$199,449.60	\$201,484.80	\$170,587.41	\$167,598.72

Cost of Generator & ATS (includes Town's portion of HST)
Cost of Noise/Air Study/MOE Application/ESA Design review (includes Town's portion of HST)
Cost of Electrical Design & Project Management (includes Town's portion of HST)

\$150,543.69
\$8,751.36
\$48,844.80

Total Cost of Project

\$375,738.57

Approved Capital Budget
Budget Shortfall

\$300,000
-\$75,738.57



October 22, 2014

336152

Town of Fort Frances
320 Portage Avenue, Fort Frances Ontario 3P9 P9A
Email: dherr@fort-frances.com

Attention: Mr. Doug Herr, Environmental & Facilities Supt., Operations and Facilities Division

Dear Doug:

**Re: Water Treatment Plant – Standby Generator System
Tender Award Letter**

Tenders were received at our office from the Town of Fort Frances via email on October 22, 2014. We have reviewed the tenders and summarize the results as follows:

M.C. Lough Electric Inc.	\$164,700.00
Prezio Electric	\$167,637.00
White Pine Electric	\$196,000.00
Finnway General Con.	\$198,000.00

The amounts shown are the base bid amounts, excluding all taxes. The tenders were checked and no math errors were found. All submissions were checked for conformance to the tender submission requirements. All four parties submitted all required documents, with two minor exceptions: 1) Prezio Electric tender submission did not include Statement "C" – Subcontractors and Suppliers; and 2) White Pine Electric tender submission did not include the price breakdown as requested in the tender documents, however, as this is essentially a lump sum contract, this omission is not considered significant enough to disqualify their tender.

Please find attached a copy of the Tender Opening Checklist and Tender Opening Summary. No exceptions to our specifications were noted in the submissions. We will review the shop drawings as the contract proceeds.

The low bidder, M. C. Lough Electric Inc. is a reputable general and electrical contractor in the Dryden and general areas. Their experience in similar work throughout Northwestern Ontario is very thorough from the details they have included on Statement "A" – Tenderer's Experience in Similar Work.

Based on the tenders submitted we recommend that the tender of M. C. Lough Electric Inc. in the amount of \$164,700.00, excluding taxes, be accepted. Please proceed with preparing for the necessary documents to be executed.

Yours very truly,

HATCH MOTT MACDONALD LTD.

Rod Delaney, P. Eng.
Senior Project Engineer – Electrical

RD:rd
Encl.

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Hatch Mott MacDonald

HMM Project: 336152 - Town of Fort Frances
 Water Treatment Plant - Standby Generator System
Tender Opening Summary
Date: October 22, 2014

ITEM				
	M. C. Lough Electric Inc.	Prezio Electric	White Pine Electric	Finnway General Con.
A. Construction				
1. General				
a) Mobilization and Demobilization	\$8,000.00	\$10,175.00		\$42,000.00
b) Bonds and Insurance	\$4,000.00	\$4,000.00		\$4,500.00
2. Electrical				
a) Install new Standby Generator System and ATS	\$51,780.00	\$32,340.00		\$44,000.00
b) Supply and install electrical cables, conductors, cable tray, and all electrical components required.	\$80,000.00	\$99,572.00		\$80,900.00
c) Complete grounding and bonding	\$4,800.00	\$3,550.00		\$11,800.00
d) Miscellaneous junction boxes, fittings, brackets, clamps, straps, etc.	\$3,120.00	\$5,000.00		\$1,800.00
Section A - Subtotal Construction	\$151,700.00	\$154,637.00	\$183,000.00	\$185,000.00
B. Cash Allowance				
1. Contingency Allowance for Existing Switchgear Upgrades.	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00
2. Contingency Allowance for Rental Generator	\$8,000.00	\$8,000.00	\$8,000.00	\$8,000.00
Section B - Subtotal Cash Allowances	\$13,000.00	\$13,000.00	\$13,000.00	\$13,000.00
Base Bid (A+B, excluding HST)	\$164,700.00	\$167,637.00	\$196,000.00	\$198,000.00
HST at 13%	\$21,411.00	\$21,792.81	\$25,480.00	\$25,740.00
Total Tender Price	\$186,111.00	\$189,429.81	\$221,480.00	\$223,740.00

Hatch Mott MacDonald

HMM Project: 336152 - Town of Fort Frances
Water Treatment Plant - Standby Generator System

TENDER OPENING CHECK LIST

DATE: October 22, 2014

	M. C. Lough Electric Inc.	Prezio Electric	White Pine Electric	Finnway General Con.
Attend Site Visit	✓	✓	✓	✓
Tender Signed	✓	✓	✓	✓
Addenda Received	✓	✓	✓	✓
Tenderer's Experience - Statement "A"	✓	✓	✓	✓
Tender's Senior Supervisory Staff - Statement "B"	✓	✓	✓	✓
Subcontractors and Suppliers - Statement "C"	✓		✓	✓
Tender Security	✓	✓	✓	✓
Tender Price Summary:				
Base Bid Excluding All Taxes:	\$164,700.00	\$167,637.00	\$196,000.00	\$198,000.00
HST at 13%:	\$21,411.00	\$21,792.00	\$25,480.00	\$25,740.00
Total Tender Price:	\$186,111.00	\$189,429.00	\$221,480.00	\$223,740.00