

Our File/N/Réf. 31 19-95-0007-V
Your File/V/Réf.

DATE 2 May 1997

TO/DEST. The Chair and Members of Council

FROM/EXP. Director Engineering Division
 Environment and Transportation Department

SUBJECT/OBJET **EMERGENCY INSTALLATION OF GAS FLARE AT THE
DIGESTER FACILITY - CONTRACT NOS. CS-6124, CS-6125,
CS-6126, CS-6129 AND CE-6153 (IN ACCORDANCE WITH
CORPORATE POLICY MANUAL SECTION 4.6.9)**

INTRODUCTION

On occasion, the Department is faced with a requirement and is unable to meet the standard report routing process to Committee. Now that the costs have been finalized, and in accordance with section 4.6.9 of the Corporate Policy Manual, the Engineering Division is reporting on the installation of the Digester Gas Flare at the Robert O. Pickard Environmental Centre.

BACKGROUND

As part of the planned construction of a Cogeneration Facility at the Robert O. Pickard Environmental Centre, a Digester Gas Flare was to be installed. This was originally scheduled for the spring of 1997. On 12 June 1996, one of the boilers that burns digester gas experienced an explosion causing extensive damage to the boiler and some minor damage to two of the other four boilers. Following notification of all responsible authorities, a decision was made to keep all of these units out of service until an investigation and analysis could be conducted to determine the cause of the explosion. Digester gas was initially vented to the atmosphere with the approval of the Ministry of the Environment and Energy as a short-term solution. However, the Ministry requested that the construction of an emergency flare begin as soon as possible.

INFORMATION PREVIOUSLY DISTRIBUTED
TO BE LISTED ON CORPORATE
SERVICES AND ECONOMIC DEVELOPMENT
COMMITTEE AGENDA - 17 June 97

DISCUSSION

In order to expedite the construction, our consultant was requested to complete the design of the flare component of the project in advance of the remainder of the facility, and to source the specialized equipment required and to initiate the ordering. As well, they were requested to obtain a breakdown of chargeout rates from three mechanical general contractors. Rates were solicited from Black and McDonald, Modern Mechanical and Comstock. The best rates provided were that of Black and McDonald. Therefore, a purchase order was issued to Black and McDonald for work that was to be completed on a time and material basis. In addition, several purchase orders were issued to procure equipment from suppliers other than the general contractor. They are summarized below.

• Westech Industries Ltd.	
Total Cost	\$ 39,726.89
• Scarborough Supply Ltd.	
Total Cost	\$ 5,815.21
• Neo Valves Inc.	
Total Cost	\$ 24,029.25
• Lakeside Controls Ltd.	
Total Cost	\$ 15,548.85
• Black and McDonald Ltd.	
Total Cost	<u>\$221,037.58</u>
	\$306,157.78

While the Flare was placed in service 26 August 1996, there were several non-critical components of the work that could not be completed until early 1997 as a result of long production and delivery times. Work is now 100% complete.

CONSULTATION

The public consultation process is not applicable.

EXPENDITURE JUSTIFICATION

In order to comply with the requirements of our Certificate of Approval as well as direction from the Ministry of the Environment and Energy, this work was required to take place immediately.

FINANCIAL STATEMENT

Approved Budget To Date	\$ 4,772,000
Total Paid & Committed	<u>(4,040,230)</u>
Balance Available	731,770
THIS REQUEST	<u>(0)</u>
Balance Remaining	<u>731,770</u>

Funds were provided in the Capital Budget, Project 932-42128, R.O.P.E.C. Digester Gas Co-generation.

*Approved by
J. Miller, P.Eng.*

SF/jb

FINANCE DEPARTMENT COMMENT

Funds for this emergency work have been charged to account 932-42128, R.O.P.E.C. Digester Gas Co-generation.

*Approved by T. Fedec
on behalf of the Finance Commissioner*