

REGION OF OTTAWA-CARLETON
RÉGION D'OTTAWA-CARLETON

REPORT
RAPPORT

Our File/N/Réf. **50 WSC-46-21**
Your File/V/Réf.

DATE 16 August 1999

TO/DEST. Co-ordinator
Corporate Services and Economic Development Committee

FROM/EXP. Environment and Transportation Commissioner

SUBJECT/OBJET **HURDMAN'S GENERATOR SET - REJECTION OF ALL BIDS
FOR CONTRACT 97-331.**

DEPARTMENTAL RECOMMENDATION

That the Corporate Services and Economic Development Committee and Council approve the rejection of all bids and the cancellation of tenders for Contract No. 97-331, for the supply and installation of a diesel generator set at the Hurdman's Bridge Water Pumping Station.

BACKGROUND

The Hurdman's Bridge Water Pumping Station provides high lift pumping for the pressure zone which supplies potable water to the southeastern portion of the central system.

The diesel generator set is required to provide emergency stand-by power during hydro outages for various building systems such as lighting, heating, fuel transfer pumps, sump pumps and electric valve actuators.

A total of five bids for Contract 97-331 were received on 13 April 1999 as follows:

<u>Bidder</u>	<u>Amount of Bid</u>
Kroon Enterprises Ltd., Orleans	\$99,700
Betron Electric Ltd., Carp	\$102,650
Megatech Electrical Limited, Kanata	\$105,700
Donald Servant Electrical, Ottawa	\$137,092
Black & McDonald, Ottawa	\$165,290

The Departmental estimate was \$60,000.

One of the bidders, Donald Servant Electrical, submitted a second bid for \$96,052 (not shown in above list) which contained a qualification which did not meet specification requirements and was therefore disqualified on the basis of being irregular.

The tender submitted by the low bidder, Kroon Enterprises Ltd., was found to be regular, however, it is recommended that this tender and all others be rejected on the basis that the project not be carried out at this time.

RATIONALE

The reasons for not proceeding with the project at this time are as follows:

- 1) The cost of the project is well above the originally anticipated amount of \$60,000. Staff believe that some of these increased costs are a result of the timing of the completion of this project. During the final few months of this year, Y2K concerns are creating a tremendous demand in the marketplace for generators of all sizes and we believe that the quotations received for this work reflect that price inflation.
- 2) A functional design project has been awarded recently that will look at how water is provided to both pressure districts 2C and 1E under failure conditions. The possibility exists that this project may have some impact on the emergency power requirements for the Hurdman's Bridge Pumping Station.
- 3) Staff have recently completed some pump testing that would suggest that the existing direct drive pumps can be operated at less than their present full speeds. This may result in some changing demands for fuel transfer, and therefore emergency power supply.
- 4) A capital works project for upgrading the pumping station presently exists as a Works in Progress (WIP) (GL Project #41763, SAP 900175) with a total capital provision of \$3,575,000. This project was originally anticipated to begin design work in 1998, but has been postponed pending the outcome of other associated projects such as the Zone 2C/1E Reliability Assessment. It is possible that there may be some savings through economies of scale in completing the emergency power work as part of this project rather than as a stand-alone project.
- 5) The final few months of 1999 will be extremely busy for the Production Branch of the Water Division because of the demand for electrical support to the SCADA Upgrade project. Delaying this work until 2000 will allow staff to focus on the higher priority project.
- 6) While the present lack of emergency power supply is far from preferred, it represents no increase in risk to water supply in general, since the facility is equipped with diesel power pumps.

CONSULTATION

There is no need for public consultation as there is no direct impact on the public. The low bidder has been advised of staff's recommendation.

FINANCIAL IMPLICATIONS

The recommendation in this report has no financial implications.

*Approved by
M.J.E. Sheflin, P.Eng.*

JRM/jw