



THE CORPORATION OF THE TOWN OF AMHERSTBURG

OFFICE OF ENGINEERING & INFRASTRUCTURE SERVICES

MISSION STATEMENT: Committed to delivering cost-effective and efficient services for the residents of the Town of Amherstburg with a view to improve and enhance their quality of life.

Author's Name: Todd Hewitt	Report Date: June 28, 2022
Author's Phone: 519 736-3664 ext. 2313	Date to Council: July 11, 2022
Author's E-mail: thewitt@amherstburg.ca	Resolution #:

To: Mayor and Members of Town Council

Subject: Amherstburg Water Treatment Plant (AWTP) – Electrical Upgrades and Supervisory Control and Data Acquisition (SCADA) Installation - Tender Results

1. RECOMMENDATION:

It is recommended that:

1. The Tender for Amherstburg Water Treatment Plant – Electrical Upgrades and SCADA Installation **BE AWARDED** to Selectra Inc. for an amount not to exceed \$1,785,090.75 plus HST and the Mayor and Clerk **BE AUTHORIZED** to execute an agreement with Selectra Inc. for the Amherstburg Water Treatment Plant – Electrical Upgrades and SCADA Installation;
2. That a \$178,500 contingency allowance **BE APPROVED** for inclusion in the contract with Selectra Inc.

2. BACKGROUND:

The Town advertised a Request for Tender (RFT) online for Amherstburg Water Treatment Plant – Electrical Upgrades and SCADA Installation on May 5, 2022 via Bids and Tenders and on the Town's website.

The work to be carried out generally includes the replacement of 27.6kV service, substation and transformer including all wireways, vault and grounding. Replacement of existing main breaker, Automatic Transfer Switch, Motor Control Centre, Variable Frequency Drives, level transmitters and Control Panels. Installation of new SCADA Control Panel, Communication Control Panel, new wiring to existing and new

instrumentation and controls. SCADA integration, including supply of SCADA servers, workstation and software, SCADA programming, start-up and commissioning.

3. DISCUSSION:

Tenders closed for this project at 11:00 a.m. on June 14, 2022. The Town received three (3) tender submissions that were processed electronically via the Bids and Tenders system.

The tenders were initially processed electronically to ensure there were no mathematical errors or omissions. The tender results are:

<u>Bidder</u>	<u>Tender Amount (excluding HST)</u>
1. Selectra Inc.	\$1,785,090.75
2. Rorison Electric Limited	\$1,921,500.00
3. Dielco Electric Ltd.	\$2,339,000.00

Stantec Consulting Limited is the consulting engineer that completed the design engineering for this project. They have completed the review of the tender submissions and have recommended that the tender be awarded to the lowest bidder, Selectra Inc. Administration concurs with this recommendation.

Contingency Inclusion

When the tender noted above was issued for pricing the design engineer neglected to include a contingency value to be carried by all bidders. Administration would typically carry a set amount in a tender to allow for the payment of unforeseen or unanticipated changes throughout the course of a project. For a project of this size a value around 10% of the estimated cost would be appropriate.

As outlined in the Procurement Policy, Section 11.2 indicates that a report to Council is required for the approval of the acquisition of goods and/or services where any one or more of the following criteria has been met:

- A Change Order is required and/or expanded works will alter the cost of the project above 5% of the original approved project cost.

Based on this requirement Administration is recommending that Council approve the addition of a \$178,500 (10%) contingency to be included in the contract with Selectra Inc. via change order. Only approved changes / additional costs would be paid from the contingency with the remaining monies considered surplus at the end of the project.

4. RISK ANALYSIS:

This tender includes SCADA for the water treatment plant. The installation will alleviate pressures by the Ministry of Environment, Conservation and Parks (MECP) to update our plant for automation, access to historical data and reporting. We are the currently the only water treatment plant in Ontario without SCADA. This automation will provide up to

the minute data for the treatment and storage processes allowing for accurate and safe operations. It also improves the ability to treat, relay and report plant functions. Not moving forward with this project would subject the Town to future scrutiny from the MECF and the potential that we be ordered to do so regardless.

This project also includes electrical upgrades to the exterior transformer and large-scale electrical replacements inside the building. The AWTP is 50 years old and many of these components have exceeded their useful life and are susceptible to failure. These replacements will help ensure the continued safe operation of the plant and production of safe drinking water.

If the additional contingency value is not approved there is a good chance Administration will be required to come back to council to approve additional costs if they are incurred, potentially delaying the project.

5. **FINANCIAL MATTERS:**

Based on the recommended tender and contract for design engineering/project management services, the financial impact for the project is estimated as follows:

Capital Project: AWTP Electrical Upgrades and SCADA Installation	Budget	Actual (incl. net HST)	Variance over/(under)
Cost:			
Engineering & Project Management (1)		\$ 322,000	
Construction – Tender Pricing		\$1,785,090	
Contingency (2)		\$178,500	
2020 Budget	\$100,000		
2021 Budget	1,265,000		
2022 Budget	\$135,000		
2022 Budget	\$1,300,000		
Total Project Cost	\$2,800,000	\$2,285,090	(\$514,910)
Funding:			
Reserves	\$1,400,000	\$885,090	(\$514,910)
Water User Rates	\$1,271,200	\$1,271,200	
Development Charges	\$128,800	\$128,800	
Total Project Funding	\$2,800,000	\$2,285,090	(\$514,910)

Notes:

1. Value of the billings to date and projected cost for services during construction.
2. Based on Council approval the budget includes a contingency allowance of \$178,500 which may be used for any unforeseen expenditures subject to the Town's approval.

6. **CONSULTATIONS:**

Stantec Consulting Ltd.
Chief Administrative Officer

7. **CONCLUSION:**

Administration recommends that the Amherstburg Water Treatment Plant – Electrical Upgrades and SCADA Installation **BE AWARDED** to Selectra Inc.



Todd Hewitt
Manager of Engineering

Report Approval Details

Document Title:	2022 07 11 - AWTP Electrical Upgrades and SCADA Installation.docx
Attachments:	- Stantec Tender Review Letter - AWTP SCADA and Electrical.pdf
Final Approval Date:	Jul 5, 2022

This report and all of its attachments were approved and signed as outlined below:



Antonietta Giofu – Director, Engineering & Infrastructure Services



Tracy Prince - CFO



Melissa Osborne – Acting CAO

Task assigned to Valerie Critchley was completed by assistant Tammy Fowkes



Tammy Fowkes – Acting Clerk