

May 25, 2010

To: The Board of Governors of Exhibition Place

**ACTION REQUIRED**

From: Dianne Young  
Chief Executive Officer

Subject: **Infrastructure Stimulus Fund (ISF) Program – Tender Report  
Roof Replacement with Integrated Photovoltaics (PV) System at East Annex,  
COLISEUM COMPLEX  
Contract No. 09-0077-97743-A**

Summary:

This report recommends approving a contract with Nortex Roofing Ltd. for the Roof Replacement with Integrated PV System at East Annex, Coliseum Complex. The tender for this contract was issued on April 9, 2010 and the recommendation is to award the contract to the low bidder.

Recommendations:

**It is recommended that the Board approve the following (all prices exclude GST/HST):**

- 1. award the Contract No. 09-0077-97743-A to Nortex Roofing Ltd. of Etobicoke, Ontario for the Roof Replacement with Integrated PV System at East Annex, Coliseum Complex, in the amount of \$1,775,000.00, which includes a contingency of \$75,000.00; this being the lowest acceptable tender received;**
- 2. add an additional cost of \$19,000.00 to be included in the above contract for a 15 year extended warranty for the inverter of the PV system; and**
- 3. direct staff to reserve \$90,000.00 from this budget for the future use of maintenance of the PV system over the next three years after this PV system is commissioned by the end of 2010.**

Financial Impact:

The total cost of \$27.370M for the stimulus projects as approved by Council and the Board are fully committed and funded by the Federal Government (1/3 share) and the City of Toronto (2/3 share) with no financial impact to the Board's operating or capital budget.

Decision History:

On September 11, 2009, the Federal Government announced the long anticipated Infrastructure Stimulus Fund (ISF) program of \$570 million to the City of Toronto, of which one third comes from the Federal Government and two thirds from City Council. Out of this fund, \$27.370 million was approved for Exhibition Place for eight (8) projects. On September 30 / October 1, City Council formally approved the ISF Program for all Departments, Agencies, Boards and

Commissions. Subsequently, at its meeting of October 8, the Board approved for the record these ISF Projects as submitted to the City in the spring of 2009.

Issue Background:

This project is to replace the roof at East Annex of the Coliseum Complex and at the same time install an integrated PV system onto the new roof system. This East Annex roof is in extremely poor condition with the existing built-up roof assembly between 35 and 40 years old with minimal thermal insulation value (R5) and with frequent leaks. Therefore, this project was part of the over all roof replacement projects submitted to the ISF program for the Coliseum Complex.

Comments:

The tender for this contract was issued on April 9, 2010 and Fatima Scagnol, Corporate Secretary of the Board, supervised the tender opening on May 19, 2010. Three official tenders were received. Their price submissions, excluding GST/HST, are as shown in the following table:

<b>Tenderer</b>	<b>Base Tender Price (\$)</b>	<b>Extended 15 Years Warranty (\$)</b>	<b>Recommended Tender Price (\$)</b>
<b>Nortex Roofing Ltd.</b>	<b>1,775,000.00</b>	<b>19,000.00</b>	<b>1,794,000.00</b>
Eileen Roofing Inc.	1,925,000.00	18,000.00	1,943,000.00
T. Hamilton & Son Roofing Inc.	*909,000.00	Disqualified *Without integrated PV system	

In the tender document, it was stipulated that bidders must submit the base price to include the installation of the integrated thin-film PV system along with the roof replacement price. T. Hamilton & Son Roofing Ltd. failed to do this and qualified its bid by saying that the submitted price was for roof replacement only. Therefore, its bid is deemed to be disqualified according to the Instruction to Tenderer clause 1(5) & 5(7)ii.

The Budget for this project (construction costs, engineering fees, and project management and administration costs) is under the main ISF project of Coliseum Complex (No. 0077) for the East Annex roof replacement budget and is estimated at \$2,000,000. The submission of the acceptable low tender by Nortex Roofing Ltd. of \$1,794,000.00, which contains a contingency of \$75,000.00 and the 15-years extended warranty, is therefore within the said budget.

The base tender price includes a roofing replacement with a turn-key installation of an integrated thin-film photovoltaic system and replacement of the existing built-up roof assembly which is currently between 35 and 40 years old. As part of the roof replacement criteria, this roof has been given considerable attention due to the fact that it is a historical designated building. As well, the roofing system design needs to be of the 21<sup>st</sup> century building science technology and standards. City of Toronto Preservation Services was consulted well in advance for the details and methodology that are applied in the design and are acceptable to the heritage requirements.

In the Board's direction to display leading edge green technologies, this roofing replacement will include a turn-key installation of an integrated thin-film photovoltaic system. The new roof system itself is TPO single ply membrane roof assembly, which has been recommended in the

other roof replacements at the Exhibition Place. In addition, the new roof system will also have a vapour retarder as well as a R-20 roof insulation system meeting current Canadian standards.

The integrated thin-film photovoltaic system will occupy 37,400 square feet or 65% of the East Annex roof. The system will generate a guaranteed annual production of 164,000 kWh (AC) with an annual full load hour output of 939 kWh/kW (AC). A data monitoring kiosk, including an educational interface, will also be installed that will provide real-time interactive monitoring located at the south east entrance of Direct Energy Centre. There will be an additional cost of \$19,000.00 to extend the warranty for the inverters to another 15 years beyond the standard five (5) year warranty in the base contract. The overall project will also result in an estimated maintenance cost of \$90,000 for the photovoltaic system over the first three (3) years after commissioning.

Exhibition Place and the Board consultant CGA Roofing Consultants have not worked with Nortex Roofing Ltd. before. According to its company profile, the lowest bidder, Nortex Roofing Ltd., is a fully certified commercial, industrial and residential roofing contractor operating since 1991. It has worked with numerous clients such as the City of Toronto, Toronto District School Board, Public Works Canada, and Metro Toronto Housing. Its services include full spectrum of roofing services ranging from minor roof repairs and maintenance programs to complete re-roofs and new roof applications. The model name of the thin-film PV system is Flexlight PV laminate carried by the approved manufacturer United Solar Ovonic of Auburn Hills, Michigan and its local distributor Advance Green Technologies of Toronto.

This recommendation is contingent upon approval by the City's Insurance and Risk Management Division of the Surety Company proposed by the successful bidder for the supply of the bonding requirements and is also subject to the Fair Wage Office confirming that the recommended contractor and its subcontractors maintain wage rates and working conditions in accordance with Toronto Workers' Rights requirements.

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