



Exhibition Place

Item No. 4

August 21, 2014

To: The Board of Governors of Exhibition Place

ACTION REQUIRED

From: Dianne Young
Chief Executive Officer

Subject: **2014 Capital Works Program – Tender Report
Fire Alarm Replacement at Direct Energy Centre
Contract No. 14-075-47508, Tender Call No: 233-2014**

Summary:

This report recommends approving a contract with Smith and Long Limited for the replacement of a fire alarm system at Direct Energy Centre with all necessary equipment and work as required. The tender call for this contract was issued on July 4, 2014 through the City of Toronto, Finance Department, Purchasing and Material Management Division (PMMD) and the recommendation is to award the contract to the lowest acceptable tender within the available budget.

Recommendation:

It is recommended that the Board award Contract No. 14-075-47508 to Smith and Long Limited of Markham, Ontario for the replacement of fire alarm system at Direct Energy Centre in the amount of \$ 1,751,660.00, which includes a reduced contingency of \$70,000.00 but excludes HST; this being the lowest acceptable tender received following the public tendering of the contract through the City of Toronto Purchasing Department.

Financial Impact:

The total project cost of \$1,820,000 for the Fire Alarm Replacement at Direct Energy Centre was approved by the Board and City Council and the costing for the engineering and construction is within this project budget.

Decision History:

The Exhibition Place 2014 – 2016 Strategic Plan had a Safety & Security Goal *to coordinate a security and public safety program* and as a Strategy to support this Goal *we will implement a capital program to upgrade the fire system in Direct Energy Centre.*

At its meeting July 5, 2013, the Board approved of the 2014 Capital Works Program along with the additional funding for this Pan Am 2015 Budget, which was adopted and approved by City Council at its meeting of January 29 and 30, 2014.

Issue Background:

The MXL fire alarm system in Direct Energy Centre is now 17 years old and at the end of its rated life. With over 200 shows a year, the system has had numerous equipment failures, is past its rated life of 15 years, and will no longer be supported by the manufacturer at the end of 2017. The building assessment done in 2006 recommended a replacement no later than 2018. With Exhibition Place being declared “PanAm Park”, this project is being introduced so that it can be completed by the 2015 PanAm Games.

Comments:

The fire system is the backbone of the Life Safety System at Direct Energy Centre comprising of one million square feet and hosting 5.3 million visitors annually and risk mitigation in terms of human life safety is paramount. Given the potential public liability and life safety issues for large public assembly used buildings, Exhibition Place recommends the aged system be changed to the XLS fire alarm system in accordance to the present building code requirements.

Direct Energy Centre is marketed as a Class A exhibition building and building systems are certainly a major part of the assessment / experience of any show producer and show attendee. The objective of the Fire Alarm System Panel Replacement is to address functional and operational issues which will have a positive effect on the maintenance costs and also in keeping with the building standards in our competitive marketplace. Once complete, it is estimated that the new System will meet all legislated and Code requirements. The work will include the following:

- Replace 8 panels in Direct Energy Centre;
- Replace and interconnecting network cables in between these 8 panels;
- Replace the outdated MXL Fire Alarm System with the XLS system, an addressable fire alarm system. Over the last 3 years, the older MXL system has been replaced with the new XLS in the Better Living Centre, Food Building, General Service Building, Horse Place, Allstream Conference Centre, Press Building, Industry Building, North Extension, East Annex, and the West Annex and with the conversion of the Direct Energy Centre, the fire systems at Exhibition Place will have been completed;
- Tie in the new system to the Network Command Center at the General Services Building to allow for 24/7 monitoring; and
- Run a parallel system by maintaining the existing system and panels functional and in operation until the day of switch over to the new system and panels.

The tender for this contract was issued on July 4, 2014 through the PMMD and Fatima Scagnol, Corporate Secretary, supervised the tender opening on August 13, 2014. Fifteen (15) bidders attended the mandatory site tour meeting and five (5) official tenders were received. Their price submissions, excluding HST, are as noted in the following table:

| Tenderer | Base Tender Price Received | Reduction of \$30,000 from Contingency | Recommended Contract Price |
|-------------------------------|-----------------------------------|---|-----------------------------------|
| Smith and Long Limited | \$1,781,660.00 | \$30,000.00 | \$1,751,660.00 |

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|-----------------------------------|-----------------------------------|-------------|----------------|
| Plan Group | \$1,830,891.00 | \$30,000.00 | \$1,800,891.00 |
| Hart -Well Electrical Company Ltd | \$2,687,000.00 | \$30,000.00 | \$2,657,000.00 |
| R- Chad General Contracting Inc. | \$2,700,000.00 | NA | NA |
| The State Group Inc. | \$3,025,418.52 *\$3,025,398.52 | \$30,000.00 | \$2,995,398.52 |

*Corrected figure due to a mathematical addition error.

In the evaluation of submission of R- Chad General Contracting Inc., it was found that it did not fully complete the Appendix II of the Construction Price Details as stipulated in the Instructions to Tenders of the tender documents providing only the sub-total amount without filling in the nine (9) categories making up of the sub-total. Therefore its tender is deemed to be informal and be rejected.

The overall budget for this project (construction costs and engineering fees) is \$1,820,000 and the main account is #14-075 of Equipment System. The maximum construction budget allowable is \$1,752,000.00. The submission of the qualified and lowest tender by Smith and Long Limited of \$1,751,660.00 which contains a reduced contingency of \$70,000 from \$100,000 is therefore within budget.

Smith and Long Limited has been in business since 1930 one of the first in the industry to successfully merge the electrical and computer fields, developing considerable expertise in UPS systems, data communications cabling, and large generator and battery installations. Smith and Long is the approved installation sub-contractor of Siemens and had done various projects for Siemens at Exhibition Place on fire alarm retrofit work in the Food Building and Ricoh Centre in the past. Other project examples which they undertook include Artscape on Liberty Street, Data Centre on Front Street, and Oxford Properties on Victoria Street. Smith and Long is a privately own and financially stable company and has the ability to bond projects over \$10 million dollars.

This recommendation is contingent upon approval by the Office of the Deputy City Manager and CFO 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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Submitted by:

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