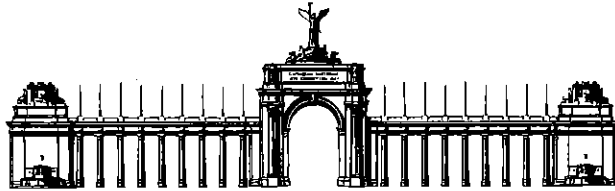


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September 13, 2004

## EXHIBITION PLACE

To: The Board of Governors of Exhibition Place

From: Dianne Young  
General Manager & CEO

Subject: **TENDER FOR EQUIPMENT**  
**Access, Overhaul & Repair of the Electrical System**  
**Contract No. 04-0050-45011**

### **Recommendation(s):**

**It is recommended that the Board award Contract No. 04-0050-45011 to Black & McDonald Ltd., of Toronto, Ontario in the total amount of \$62,575.00, this being the lowest tender received.**

### **Background:**

The Board approved a budget of \$300,000 last year as part of the 2004 Capital Works Program for the Equipment of the Access, Overhaul & Repair of Electrical Systems.

### **Discussion:**

The electrical power system is critical to Exhibition Place in providing a smooth and continuous power supply to its facilities and programs. This line program created in 2002 for the purpose of overhaul and repair of all components of the electrical power system is essential to our aging system which is over 50 years old. Any failure in the system will result in loss of revenue and possible legal claims. This capital budget line item proved to be a necessity and worthwhile program when two critical faults involving two transformers were found and rectified in 2004 (Food Building & Sub X Transformer failures).

The 2004 program funding is to evaluate and repair components such as the HV & LV feeder cables, splices, transformers, switchgear, switchboards and circuit breakers in all substations (61 sets in 38 locations). This tender is for the procurement of the services of a specialized contractor to carry out equipment testing and evaluation of all substation components, including 13.8-kV and 4.16-kV primary distribution systems, primary cabling, primary switchgear, transformers, secondary switchgear (600-V and 208-V), protective devices and ancillary equipment.

The tender for this contract was issued on August 12, 2004 and on September 7, 2004 Fatima Scagnol, Corporate Secretary supervised the tender opening of this Capital Project. Seven (7) contractors were pre-qualified for this work and six (6) tenders were received. These tender price submissions, excluding GST, are as follows:

<b>Tenderer</b>	<b>Submitted Tender Price</b>	<b>Recommended Contract Amt.</b>
<b>Black &amp; McDonald Ltd.</b>	<b>\$62,575.00</b>	<b>\$62,575.00</b>
Comstock Canada	\$84,581.94	
K-Tek	\$97,666.00	
Smith and Long	\$186,718.00	
Eaton Electrical	\$190,350.00	
Pelikan	\$397,599.00	

The budget for this work under the main project of the Access, Overhaul & Repair of Electrical System account no. #0050 (construction costs, engineering fees, project management and administration costs) is \$240,000 in which \$100,000 is reserved for any equipment failure or replacement during the course of testing & evaluation and \$40,000 is reserved for Toronto Hydro isolation work during the estimated 10-15 time shut down of the system. Contained in this figure is \$100,000.00 for this testing and evaluation work. The recommended low tender at \$62,575.00, which includes \$20,000.00 contingency fee is therefore, within budget.

The low bidder Black & McDonald Limited is a large experienced electrical contractor with considerable experience in the substation construction and maintenance. Their low price is likely due to the fact that they are very familiar with Exhibition Place HV distribution system and their on-going and past work experience at the site. Black and McDonald is currently undertaking the PCB transformer work at the Medieval Times and lighting retrofit around the Better Living Centre.

This recommendation is contingent upon approval of the Toronto Commissioner of Finance and Treasurer for the Surety Company which will supply the bonding requirements and the Fair Wage Office to confirm that the recommended contractor and its subcontractors maintain wage rates and working conditions in accordance with Toronto Workers' Rights requirements. The Treasurer has previously certified, at the time of project approval, that financing can be provided under the updated Debt and Financial Obligation Limit and that it falls within corporate debt guidelines.

**Conclusion:**

This report recommends that the Board award Contract No. 04-0050-45011 to Black & McDonald Ltd., in the amount of \$62,575.00.00 for the Testing, Evaluation & Repair of the Electrical System.

**Contact:**

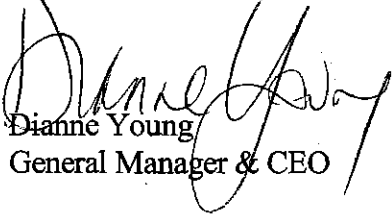
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Submitted by:

  
Dianne Young  
General Manager & CEO

