

MINUTES

PUBLIC UTILITIES COMMISSION

CIVIC CENTRE
COUNCIL LOUNGE

NOVEMBER 8, 2010
3:00 PM

PRESENT: Chairman Bryon Fluker, Commissioners Steve Pickard, Sheldon Parsons, Joe Faas, Steve Pinsonneault, Mayor Randy Hope, General Manager Tom Kissner, Facilities and Systems Manager, Rob Bernardi, and Supervisor Compliance & Monitoring, Lilly Snobelen.

NOT PRESENT: CAO Rob Browning

1. **CALL TO ORDER**

Chairman Fluker called the meeting to order at 3:00 PM.

2. **DECLARATION OF PECUNIARY INTEREST**

NONE

3. **REPORTS**

a) Arc Flash Hazard Analysis Recommendation

MUNICIPALITY OF CHATHAM-KENT
PUBLIC UTILITIES COMMISSION

TO: PUC Chairperson and Commissioners
FROM: Lilly Snobelen
Management Co Chair, Joint Health & Safety Committee
Supervisor, Compliance & Quality Standards
Chatham-Kent Public Utilities Commission
DATE: October 18, 2010.
SUBJECT: CK PUC Arc Flash Hazard Analysis Recommendation

RECOMMENDATION

It is recommended that:

1. The tender in the amount of \$167,421.00 (including 13% HST) for the provision of an Arc Flash Hazard Analysis of the Chatham-Kent PUC operational facilities and pump stations, including delivery of Arc Flash and Electrical Safety Training, be awarded to Oxford & Ewing.

BACKGROUND

Arc flash is a release of energy accumulated as a result of an electrical fault creating a blast of air and heat. This energy is four times hotter than the surface of the sun and can cause serious bodily harm. Clothing can be ignited several feet away, and blast shrapnel can be spread over a wide area.

Electrical Arc Flash hazards are different from electrical shock hazards in that a flash hazard does not require physical contact between personnel and the energised equipment.

An arc flash is similar to the arc obtained during electric welding. It has to be manually started by something creating the path of conduction, or a failure, such as a breakdown in insulation. After conduction is established, it takes a fraction of a second for the arc flash to increase in intensity as the pressure wave develops.

After a fault is created, the air is the conductor. The cause of the short normally burns away during the initial flash and the arc is then sustained by the establishment of a highly conductive plasma. The massive energy discharge burns the bus bars, vaporising the copper and thus causing an arc blast estimated as an expansion of 40,000 to 1. This fiery explosion devastates everything in its path, subjecting personnel working near the arc flash to serious burn injury.

CSA Z462-08 Workplace Electrical Standard is a regulatory requirement. CSA Z462-08 addresses Arc Flash, and specifies requirements for, and provides guidance on, safety management systems, safe work procedures, and selection of personal protective equipment and other safety devices for persons exposed to hazards associated with energised electrical equipment.

COMMENTS

CK PUC personnel operate 6 water treatment plants and 10 wastewater treatment plants, which could present electrical dangers such as shock, electrocution, arc flash and arc blast. An Arc Flash Analysis would determine the incident energy level, the flash hazard boundary and the personal protective equipment required for each site.

The following table shows the quotations received for an Arc Flash Analysis of the CK PUC facilities and pump stations, including training for personnel:

ELEMENT	DILLON	EATON	OXFORD & EWING	PROSAFE	POWER- PLUS	SIEMENS
TOTAL BID	\$587,342.36	\$246,240.00	\$167,421.00	\$334,521.25	\$254,815.00	\$387,048.73

CSA Z462-08 Workplace Electrical Standard is a regulatory requirement.

Administration is confident that an Arc Flash Analysis, proper personal protective equipment, training and implementation of Procedures and Permits will increase the protection of the PUC staff and increase the overall safety of the workplace.

COMMUNITY STRATEGIC PLAN

The recommendation in this report supports the following objectives and strategic directions:

B. Economy – We are a prosperous community

B3: Maintain and enhance new and existing infrastructure to support economic and smart growth opportunities.

Desired Outcomes/Proposed Activities

- Support new infrastructure investments and modernize existing infrastructure.

The recommendations will not adversely impact the remainder of the Community Strategic Plan.

CONSULTATION

The Area Managers and the Manager of Facilities and Systems were consulted in the review of the Arc Flash proposal and quotations. The Management group has had positive outcomes with previous contracts awarded to Oxford and Ewing, a local company, which is the low bidder.

FINANCIAL IMPLICATIONS

The Arc Flash Analysis at \$167,421.00 would be included in the 2011 Budget. The bidder has indicated that the Project Timeline will be determined with the Chatham-Kent PUC.

Prepared by:

 Lilly Snobelen
 Management Co Chair, Joint Health & Safety Committee
 Supervisor, Compliance & Quality Standards

Chatham-Kent Public Utilities Commission
Reviewed by:

Tom Kissner
General Manager
Chatham-Kent PUC

Moved by Mayor Hope and seconded by Commissioner Pinsonneault.

“That the tender in the amount of \$167,421.00 (including 13% HST) for the provision of an Arc Flash Hazard Analysis of the Chatham-Kent PUC operational facilities and pump stations, including delivery of Arc Flash and Electrical Safety Training, be awarded to Oxford & Ewing.”

Motion carried

b) Baert Road Waterline Extension

MUNICIPALITY OF CHATHAM-KENT
INFRASTRUCTURE AND ENGINEERING SERVICES
PUBLIC UTILITIES COMMISSION

TO: PUC Chairperson and Commissioners
FROM: Nelson Cavacas, C.E.T.
Manager,
Infrastructure and Development Engineering
DATE: November 4, 2010
SUBJECT: Quotation Award, Contract Q10-251
Baert Road Watermain Extension
Community of Tilbury East

RECOMMENDATIONS

It is recommended that:

1. The quotation in the amount of \$33,376.80 including HST for the Baert Road Watermain Extension in the Community of Tilbury East be awarded to B.F. Environmental Limited.
2. The project costs in the amount of \$39,479.23 shall be funded on the basis of local improvement from the single benefiting property, who is in agreement on proceeding on this basis.

BACKGROUND

A petition was submitted to the Chatham-Kent Public Utilities Commission in May, 2010 from a single property owner on Baert Road requesting consideration for municipal water.

The estimated cost for the project, including the 2009 Part 12 Charge was \$41,525.

The Chatham-Kent Public Utilities Commission approved the project to proceed in a report dated June 14, 2010 as a single 100% assessment and instructed the Engineering and Transportation Division to proceed with final design, specifications, and approvals to tender quotes for the construction of this watermain extension.

The Purchasing Officer received and opened bids for the work on Wednesday, October 27, 2010.

The results are as follows:

CONTRACT Q10-251 BAERT ROAD WATER MAIN EXTENSION COMMUNITY OF TILBURY EAST		
Rank	Tenderer	Bid Amount (incl. HST)
1	B.F. Environmental Consultants Limited Port Lambton, Ontario.	\$ 37,715.78*
2	Clarke Construction Incorporated Blenheim, Ontario.	\$ 67,403.77*
3	Sherway Contracting (Windsor) Limited Windsor, Ontario.	\$ 88,495.95

* Note: Corrected due to arithmetic error

The Engineering and Transportation Division has reviewed the quotation bids and found them to be complete in all respects with exception of the bid received from B.F. Environmental Consultants Limited and Clarke Construction Incorporated, in which an arithmetic error was corrected. The bid received from Delway Contractors Limited was rejected because it was found to be a non-conforming bid as the contractor manually changed the specified bid item. The arithmetic errors did not change the remainder of the tender rankings.

COMMENTS

The project consists of the construction of a 50mm PVC diameter watermain that will extend from the existing 50mm watermain on McDougall Line and then head north along Baert Road for an approximate distance of 1,015m to service the property at Municipal #23452 Baert Road.

The Engineering and Transportation Division estimated the cost for the proposed water main extension at \$41,525, which includes engineering, approvals, material testing, and the 2009 Part 12 Charge.

Three successful competitive bids were received on the project. The lowest bid received is 5% below the total estimated cost and 41% below the average of the three bids received.

It is the recommendation herein that the quotation be awarded to the Tenderer, B.F. Environmental Consultants Limited, who submitted the lowest acceptable bid.

The project breakdown is summarized in the Financial Implications section of this report.

COMMUNITY STRATEGIC PLAN

The recommendations in this report support the following objective and strategic direction:

B. Economy – We are a prosperous community

B3: Maintain and enhance new and existing infrastructure to support economic and smart growth opportunities

Desired Outcomes / Proposed Activities

- Support new infrastructure investments and modernize existing infrastructure

The recommendations will not adversely impact on the remainder of the Community Strategic Plan.

CONSULTATION

The quotation was opened by the Purchasing Officer and reviewed by the Tendering Committee, which includes the Purchasing Officer, Corporate Services, the Director, Financial Services/Treasurer, Corporate Services and the Director, Engineering and Transportation Division, Infrastructure and Engineering Services.

The General Manager of Water and Wastewater Services was consulted in the preparation of this report and supports the recommendations.

In addition, the Director, Legal Services was also consulted on the non-conforming bid that was rejected and supports the bid rejection.

FINANCIAL IMPLICATIONS

As previously mentioned, the Baert Road Watermain Extension project shall be funded through a single 100% local improvement assessment.

The project summary is set out in the following table.

BAERT ROAD WATERMAIN EXTENSION CONTRACT Q10-251 COMMUNITY OF TILBURY EAST		
	DESCRIPTION	TOTAL
(A) Project Costs	Low Quotation, incl. HST	\$ 37,715.78
	Engineering Design & Inspection	\$ 4,000.00
	2009 Part 12 Charge	\$ 1,515.00
	Less HST Rebate 11.24%	-\$ 3,751.55
	Total	\$ 39,479.23
(B) Project Funding	100% Local Improvement Assessment	\$ 39,479.23
	Funding Totals	\$ 39,479.23

Prepared by:

Reviewed by:

Nelson Cavacas, C.E.T.
Manager,
Infrastructure and Development Engineering
Engineering and Transportation Division

Gary Northcott, P. Eng.
Director,
Engineering and Transportation Division

Reviewed by:

Reviewed by:

Leo Denys, P. Eng.
General Manager
Infrastructure and Engineering Services

Tom Kissner,
General Manager
Water and Wastewater Services

Moved by Commissioner Vercooteren and seconded by Commissioner Faas.

“That the quotation in the amount of \$33,376.80 including HST for the Baert Road Watermain Extension in the Community of Tilbury East be awarded to B.F. Environmental Limited.

The project costs in the amount of \$39,479.23 shall be funded on the basis of local improvement from the single benefiting property, who is in agreement on proceeding on this basis.”

Motion carried

c) Agnes Street Pump Station Tender Award

MUNICIPALITY OF CHATHAM-KENT
PUBLIC UTILITIES COMMISSION

TO: PUC Chairperson and Commissioners

FROM: Rob Bernardi, P. Eng.
Facilities & Systems Manager, Chatham-Kent PUC

DATE: November 8, 2010

SUBJECT: Wallaceburg Sanitary Sewer Rehabilitation – Agnes Street Pump Station Tender Award (Contract No.T10-255)

RECOMMENDATION

It is recommended that:

- The tender in the amount of \$1,266,168.39, including HST, for the Wallaceburg Sanitary Sewer Rehabilitation – Agnes Street Pump Station, Contract No. T10-255 be awarded to Stonetown Construction Limited (St. Mary's, Ontario).

BACKGROUND

As part of the Federal / Provincial Infrastructure Stimulus Fund (ISF) program, there has been \$5.1M set aside for sanitary sewer rehabilitation projects in the Community of Wallaceburg. The ISF projects for Wallaceburg included sanitary sewer replacements, repairs, relining, and pump station upgrades. The Agnes Street Sewage Pump Station was identified as being a facility requiring upgrades.

Dillon Consulting Limited has been working on the design and prepared the tender for the Agnes Street Pump Station. The tender was issued on October 1, 2010. There was a mandatory pre-bid site meeting held at the Agnes Street Sewage Pumping Station on October 12, 2010 for any perspective contractors to review the existing site conditions.

COMMENTS

The tender closed on October 21, 2010. There were two tenders received as shown in the following table.

<u>Bidder</u>	<u>Tender Value</u>
Stonetown Construction Limited	\$1,266,168.39
Facca Incorporated	\$1,450,920.00

The bid submitted by Stonetown was the lowest bid. The bid is \$374,797 (42%) higher than the pre-tender engineer's estimate. Dillon Consulting Limited have reviewed the two tenders and have commented as per their attached letter. The difference in costs between the lowest bidder and the engineer's estimate is attributed to the higher cost for shoring and sheeting for the project. Both contractors submitted higher costs to deal with the complex soil conditions and tight construction site. In addition, the contractors carried significant costs for winter construction.

The work is scheduled to be completed by March 31, 2010, in order to meet the required deadlines for ISF projects.

Therefore, it is recommended that the Commission award Contract No. T10-255 to Stonetown Construction Limited at the tender price of \$1,266,168.39.

COMMUNITY STRATEGIC PLAN

The recommendations in this report support the following objectives and strategic direction:

B. Economy - We are a prosperous community

B3: Maintain and enhance new and existing infrastructure to support economic and smart growth opportunities

C. Environment – We are a green community

C2: Establish standards for environmental excellence

Desired Outcomes / Proposed Activities

- Advocate for essential provincial and federal investment and equitable tax policies to support financing and effective operation of sustainable transportation systems, and water, sewer and waste management services
- Support new infrastructure investments and modernize existing infrastructure
- Maintain and improve the quantity and quality of ground and surface waters
- Increase the number of homes, businesses and farms on municipal water and sewage

CONSULTATION

The tenders were opened by the Purchasing Officer. Dillon Consulting Limited reviewed the tenders and a copy of their letter recommending the award of the contract is attached.

FINANCIAL IMPLICATIONS

The project is being funded by the Federal / Provincial Infrastructure Stimulus Fund (ISF). ISF will contribute 2/3 of the project costs (\$844,112.26).

The PUC cost share is \$422,056.13, the remaining 1/3, has already been approved in the Capital Budget for this year.

Prepared by:

Reviewed by:

Rob Bernardi, P. Eng.
Facilities & Systems Manager
Chatham-Kent PUC

Tom Kissner
General Manager
Chatham-Kent PUC

Moved by Commissioner Parsons and seconded by Commissioner Vercouteren.

“That the tender in the amount of \$1,266,168.39, including HST, for the Wallaceburg Sanitary Sewer Rehabilitation – Agnes Street Pump Station, Contract No. T10-255 be awarded to Stonetown Construction Limited (St. Mary’s, Ontario).”

Motion carried

4. NEXT MEETING

The next regular PUC Commission meeting is scheduled for Thursday, November 25, 2010 at 3:30 PM in the PUC Boardroom.

5. ADJOURNMENT

Moved by Commissioner Faas and seconded by Commissioner Parsons.

“That the meeting be adjourned at 3:20 PM.”

Motion carried