



City of  
**Peterborough**

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**To:** **Members of the General Committee**

**From:** **Cynthia Fletcher,  
Commissioner of Infrastructure and Planning Services**

**Meeting Date:** **June 10, 2019**

**Subject:** **Report IPSAIR19-007  
Council Approval and Delegation of Authority to Award Non-  
Standard Procurement for Airport Fire Protection Water  
Storage**

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## **Purpose**

A report to seek Council approval for staff to complete a non-standard procurement process and to delegate authority to Administrative Staff Committee to award the procurement process for Airport Fire Protection Water Storage.

## **Recommendations**

That Council approves the recommendations outlined in Report IPSAIR19-007 dated June 10, 2019, of the Commissioner of Infrastructure and Planning Services, as follows:

- a) That staff be authorized to complete a non-standard procurement process for supply, installation and commissioning of Airport Fire Protection Water Storage system for an estimated amount of \$300,000; and
- b) That Administrative Staff Committee be delegated the authority to approve award of the non-standard procurement process for Airport Fire Protection Water Storage provided costs fall within the approved capital budget.

## **Budget and Financial Implications**

Staff have estimated the total cost of supply, installation and commissioning of a fire protection water storage tank at \$300,000, plus HST. The current approved capital budget for Airport Water and Sewer Servicing Upgrade is \$3.5 million, of which \$975,000 has been committed. The total estimated requirement, net of applicable HST rebates of \$305,280 for fire protection water storage can be accommodated within the uncommitted portion of the approved \$3.5 million budget within the 2019 Capital Budget, project reference 5-5.01.

## **Background**

### **Brief Description of the Work**

In 2018, staff initiated a project to design and construct an expansion to the existing Fire Protection Water Reservoir and Pump house to support the immediate expansion of service providers at the Airport and increase the long-term capacity of the fire protection system to meet future anticipated needs.

In April 2019, an Invitation to Tender, the "ITT", was released for the Airport Reservoir Expansion to complement the existing facility. The City's consulting firm had estimated the total tender cost at \$1,550,000. Given the tight timeframe, the ITT closed in May with the lowest bid, with contingency amounts and HST, at nearly \$2,600,000.

As a result of the tender process, it is clear to staff that an approach to address immediate fire protection water storage at the Airport should be considered, rather than design/build of a system to address full build out of the Airport. As such, staff are recommending that the ITT be cancelled and have investigated options to provide a solution to the City's immediate obligations and have identified that an above ground storage tank, delivered and installed in the short timeframe, would satisfy the immediate need, meet regulatory requirements and could also be utilized in the long-term planning for fire protection water storage at the Airport.

The City is obligated to provide adequate fire protection water storage to support the expansion of Flying Colours at the Airport. City staff are anticipating the new facility will be operational in October of this year and the recently closed ITT for the Reservoir Expansion was anticipated to fulfil this obligation. Given the progress Flying Colours is making on their facility another solution must now be expedited. Staff have been able to identify only two potential suppliers of above ground fire protection water storage tanks who satisfy the applicable standards (Ontario Building Code, National Fire Protection Association) and who could manufacture, deliver and install a storage tank within our timeframe and criteria. References for like projects will be one of the criteria. The manufacture and installation of the proposed system will take 8-12 weeks. The City's

standard procurement process and subsequent approval to award the tender would exceed the timeframe to ensure a fully inspected and operational system.

Staff has concluded a non-standard procurement process is necessary and approval to award the contract be delegated to Administrative Staff Committee, to allow the City to meet its contractual obligation.

### **Procurement By-Law**

Appendix A of Procurement By-law 18-084 states that Council must approve non-standard procurement at or above \$100,000. Given the timeline available, the limited suppliers who are able to meet the established criteria and the procurement value staff are confident approval of the award by Administrative Staff Committee will provide a transparent and fair process.

### **Next Steps**

If the recommendations are approved, staff will commence a non-standard procurement process to solicit firm quotations from potential suppliers. Quotations will be reviewed independently by staff, references will be a requirement and Administrative Staff Committee will approve award of the contract.

### **Summary**

The Invitation to Tender for the Airport Reservoir resulted in costs that exceeded the available funding. Staff have identified an alternative, lower cost method to meeting the City's obligations for re-scoped Fire Protection Water Storage and are seeking Council's approval for a non-standard procurement process and delegated authority for Administrative Staff Committee to approve the award of the project.

Submitted by,

Cynthia Fletcher  
Commissioner of Infrastructure and Planning Services

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