



STAFF REPORT ACTION REQUIRED

Contract Awards – February 17, 2010 - Composite Report

Date:	February 11, 2010
To:	Bid Committee
From:	Director, Purchasing and Materials Management
Reference	Various Calls

SUMMARY

The purpose of this report is to advise on the results of the competitive procurement calls issued by the Purchasing and Materials Management Division and to recommend contract awards as outlined in this report.

RECOMMENDATIONS

The Director of Purchasing and Materials Management recommends that the Bid Committee grant authority to award the following contracts in accordance with the Contract Details set out in the appendices of this report:

1	Call Document	Request For Quotation 6903-09-3143
	Description	Non-exclusive supply and delivery of various lubricating oils, transmission fluids, hydraulic oils, gear oils and greases to various City of Toronto Divisions, Agencies, Boards and Commissions on an as and when required basis from date of award to January 31, 2011
	Recommended Bidder	Safety-Kleen Systems Canada
2	Call Document	Request for Quotation 9108-08-7117
	Description	For the supply of all labour, materials and equipment necessary to provide Minor Move Requests within Various City of Toronto Divisions, on an “as and when” required basis for a period of one (1) year from the anticipated date of award of February 1, 2010 to February 28, 2010
	Recommended	Guardian Van Lines Limited

	Bidder	
3	Call Document	Request for Quotation 6617-09-7079
	Description	The Supply and Delivery of Water Soluble Polyelectrolyte for Waste Activated Sludge Thickening for the City of Toronto's Toronto Water Division Wastewater Treatment Plant, as and when required for the period of three years, from the date of award to December 31, 2012
	Recommended Bidder	Jes-Chem Ltd.
4	Call Document	Request for Quotation 6617-09-7076
	Description	The Supply and Delivery of Water Soluble Polyelectrolyte for Biosolids Dewatering for the City of Toronto's Toronto Water Division Wastewater Treatment Plants, as and when required for the period of three years, from the date of award to December 31, 2012
	Recommended Bidders	SNF Canada Ltd. CIBA Canada Ltd.
5	Call Document	Tender Call 199-2009, Contract TWDO-TW-TWOS-MCP-06-00006
	Description	Wastewater Collection Pumping Station Upgrades and Rehabilitation – Group II
	Recommended Bidder	Ainsworth Inc.
6	Call Document	Tender Call 220-2009, Contract No. WS-TW-WS—09-00977
	Description	Rehabilitation of the Rouge Elevated Water Tower
	Recommended Bidder	APLus General Contractors Corporation

COMMENTS

(1) REQUIREMENTS

For each of the recommended contract awards, the following requirements have been met:

- (a) The firm recommended for award is the lowest bidder meeting specifications or to the highest scoring proponent based on the evaluation criteria included in the call and meeting the requirements of the call;
- (b) the Deputy City Manager and Chief Financial Officer agrees with the Financial Impact information;
- (c) the appropriate Division has reviewed submissions and found the price to be reasonable, within available budget and concurs with the recommendation;

- (d) the call document was advertised on the City's internet website and bids or proposals were opened publicly; and
- (e) the Fair Wage Office confirms the recommended firm understands the Fair Wage Policy and Labour Trades requirements and has agreed to comply fully.

Additional details and information for the above calls are on the file in the Purchasing and Materials Management Division.

SIGNATURE – CHIEF PURCHASING OFFICIAL

Lou Pagano, P. Eng.
Director
Purchasing and Materials Management Division

(2) APPENDICES – Contract Details

(2) CONTRACT DETAILS
APPENDIX # 1

February 11, 2010

Call No:

Request For Quotation 6903-09-3143

Description:

Non-exclusive supply and delivery of various lubricating oils, transmission fluids, hydraulic oils, gear oils and greases to various City of Toronto Divisions, Agencies, Boards and Commissions on an as and when required basis from date of award to January 31, 2011 with the option to extend for four (4) additional, separate one (1) year periods thereafter, at the sole discretion of the City and subject to budget availability. Should the option be exercised, then the Director, Fleet Services, General Manager, Solid Waste Management and Manager, Material Management & Stores, Purchasing and Material Management Division will instruct the Director of Purchasing and Materials Management to process the renewals under the same terms and conditions.

Call Dates:

Issued December 22, 2009, Closed January 8, 2010

Ward No:

All wards

Recommended Bidder:

Safety-Kleen Systems Canada

Contract Award Value:

- Date of award to January 31 2011: \$533,211.08 net of all applicable taxes and charges, \$554,038.81 Net of GST & HST recoveries.
- Option Year One (1) – February 1, 2011 to January 31, 2012: \$559,871.63 net of all applicable taxes and charges, \$569,725.38 Net of GST & HST recoveries.
- Option Year Two (2) – February 1, 2012 to January 31, 2013: \$587,865.22 net of all applicable taxes and charges, \$598,211.64 Net of GST & HST recoveries.
- Option Year Three (3) – February 1, 2013 to January 31, 2014 \$617,258.48 net of all applicable taxes and charges, \$628,122.23 Net of GST & HST recoveries.
- Option Year Four (4) – February 1, 2014 to January 31, 2015: \$648,121.40 net of all applicable taxes and charges, \$659,528.33 Net of GST & HST recoveries.

The total potential contract award identified in this report is \$2,946,327.81 net of all applicable taxes and charges. The potential cost to the City net of GST and HST recoveries is \$3,009,626.39.

Number of Bids:

Two (2)

APPENDIX #1

Financial Impact:

The total potential contract award identified in this report is \$2,946,327.81 net of all applicable taxes and charges. The potential cost to the City net of GST and HST recoveries is \$3,009,626.39. Funding in the amount of \$507,868.91 net of GST and HST recoveries is included in the 2010 Interim or approved Operating Budgets of the participating Divisions as outlined in the table below. The remaining balance of the initial period will be included in the 2011 Operating Budget submissions of the respective divisions. Should the option be exercised then additional funds will be made available in the 2011-2015 Operating Budget submissions as outlined in the table below:

The materials purchased by PMMD on this contract will be for inventory purposes. The material value will be held in inventory holding Balance Sheet accounts (160004, 160026, 160049, 160151, 160136, 160141, 160143, 160138, 160165, 160159, 160153, 160068, 160082, 160083, 160085) until City Divisions require the material to support their work programs at which time the material value is charged to the appropriate Divisions' approved operating budgets.

Annual Potential Cost to the City – Net of GST and HST Recoveries

Cost Centre and Cost Element	Initial Period Date of Award to December 31, 2010	Initial Period January 1, 2011 to January 31, 2011	Option Year One (1) February 1, 2011 to January 31, 2012	Option Year Two (2) February 1, 2012 to January 31, 2013	Option Year Three (3) February 1, 2013 to January 31, 2014	Option Year Four (4) February 1, 2014 to January 31, 2015	Total
Fleet Services FL100-100	\$473,245.40	\$43,022.31	\$530,065.72	\$556,569.00	\$584,397.45	\$613,617.32	\$2,800,917.20
PMMD Stores	\$15,457.13	\$1,405.19	\$17,705.44	\$18,590.71	\$19,520.25	\$20,496.26	\$93,174.98
Solid Waste Management SW0709 - 20% SW0805-10% SW0800-25% SW0810- 15% SW0825- 10% SW0830-10% SW0835-10%	\$19,166.38	\$1,742.40	\$21,954.22	\$23,051.93	\$24,204.53	\$25,414.75	\$115,534.21
Total	\$507,868.91	\$46,169.90	\$569,725.38	\$598,211.64	\$628,122.23	\$659,528.33	\$3,009,626.39

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(2) CONTRACT DETAILS
APPENDIX #2

Date: January 26, 2010

Call No:

Request for Quotation 9108-08-7117

Description:

For the supply of all labour, materials and equipment necessary to provide Minor Move Requests within Various City of Toronto Divisions, on an "as and when" required basis for a period of one (1) year from the anticipated date of award of February 1, 2010 to February 28, 2010 with the option to renew for two (2) additional, separate, successive one (1) year periods, at the sole discretion of the City and subject to budget approval.

An award for this RFQ was issued to the firm 4Mode Global Logistics Inc., after approval from Bid Committee, Meeting No. 140 held on October 7, 2009. The firm has been negligent on an ongoing basis, in meeting the terms and conditions of the contract. Facilities Management Division in consultation with Legal, have terminated the contract. All divisional contracts issued to 4Mode Global Logistics Inc. have been cancelled by PMMD. The second lowest bidder meeting RFQ specifications did not comply with Fair Wage requirements. Confirmation from the next lowest compliant bidder, that they would honour their bid, has been obtained. Guardian Van Lines Ltd. is now the lowest bidder meeting specifications and has been approved by the Fair Wage office. The award will be made for the remaining term, ending on February 28, 2010, with the option to renew for two (2) additional, separate one (1) year periods.

Call Dates:

Issued December 19, 2008, Closed January 15, 2009

Ward No:

All

Recommended Bidder:

Guardian Van Lines Limited

Contract Award Value:

Date of award to February 28, 2010 – amount not to exceed
\$255,166.67, net of all applicable taxes and charges
\$275,580.00 net of GST

Option Year 1 (March 1, 2010 to February 28, 2011)
\$3,062,000.00, net of all applicable taxes and charges
\$3,179,580.80, net of GST and HST Recoveries

Option Year 2 (March 1, 2011 to February 29, 2012)
\$3,062,000.00, net of all applicable taxes and charges
\$3,115,891.20, net of GST and HST Recoveries

APPENDIX #2

Total potential contract award including both option years is \$6,571,052.00 net of GST and HST Recoveries.

Number of Bids:

Six (6) bids were received.

Two (2) bids were disqualified.

Financial Impact:

Multiple contracts for other City Divisions will be issued by PMMD based on this RFQ. The individual divisional contracts will be administered by the cluster's purchasing representatives.

The total potential contract award identified in this report is \$6,379,166.67, net of applicable taxes and charges. The cost to the City net of GST and HST Recoveries is \$6,571,052.00.

Funding for the potential contract value of \$275,580.00 net of GST from the date of award to February 28, 2010 is included in the 2010 Capital Budget and 2011-2012 Capital Plans of various City Divisions and ABCCs in various cost centres. Funding is also available in the recommended 2010 Operating Budgets of various City Divisions and ABCCs in various cost centres in cost element 4416. Should the options be exercised, then funds in an amount not to exceed \$6,295,472.00 net of GST and HST Recoveries will be included in the 2010 Capital Budgets and 2011-2012 Capital Plans of various divisions and ABCs and their respective 2010-2012 Operating Budget submissions.

Facilities and Real Estate Division, Design, Construction and Asset Preservation (DCAP) has also made a provision for unanticipated work. DCAP staff will ensure that sufficient funds are in place in the appropriate Division or ABCC. The project cost will then be charged to the appropriate Operating or Capital Budget.

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(2) CONTRACT DETAILS
APPENDIX #3

Date: February 9, 2010

Call No:

Request for Quotation 6617-09-7079

Description:

The Supply and Delivery of Water Soluble Polyelectrolyte for Waste Activated Sludge Thickening for the City of Toronto's Toronto Water Division Wastewater Treatment Plant, as and when required for the period of three years, from the date of award to December 31, 2012 with an option to renew the Contract for two (2) additional one (1) year periods, at the sole discretion of the City and subject to budget approval. Should the option(s) be exercised, then the General Manager, Toronto Water will instruct the Chief Purchasing Official to process the necessary contract renewals under the same terms and conditions.

The RFQ was set up to award contracts to one or more Bidders based on the performance requirements of the Polymer Trial as indicated in the RFQ. The Polymer Trials consisted of an evaluation demonstrating that the Vendor's proposed products provided the lowest cost of polymer applied per dry tonne of dewatered biosolids.

Call Dates:

Issued on March 24, 2009, Closed on April 9, 2009.

Ward No:

All

Recommended Bidder:

Jes-Chem Ltd.

Contract Award Value:

Date of award to December 31, 2010 \$1,129,132.37 net of GST and HST Recoveries.

January 2011-December 31, 2012 \$2,728,796.16 net of GST and HST Recoveries.

Option Year 1-January 1, 2013 to December 31, 2013 \$1,364,398.08 net of GST and HST Recoveries.

Option Year 2-January 1, 2014 to December 31, 2014 \$1,364,398.08 net of GST and HST Recoveries.

Total amount net of GST and HST Recoveries is \$6,586,724.69.

Number of Bids:

Four (4) Bids

APPENDIX #3

Financial Impact:

The total potential contract award identified in this report is \$6,480,533.33 exclusive of all applicable taxes and charges. The cost to the City net of GST and HST Recoveries is \$6,586,724.69.

Funding in the amount of \$1,129,132.37 net of GST and HST Recoveries is included in 2010 Toronto Water Operating Budget, Wastewater Treatment Cost Centre WW100 Cost Element 2430.

Funding for the remainder of the contracts (from January 1, 2011 to December 31, 2014) in the amount \$5,457,592.32 net of GST and HST recoveries will be included in the Division's 2011-2014 Operating Budget submissions. Funding details are provided below:

Due to volatile chemical market prices, funds for the option years will be reserved in the budget for any increases that may occur should the option to renew be exercised. Unit prices for the option years will be subject to an annual price adjustment, based on the blended index equal to Industrial Product Price Index (IPPI, All Items) x 80% + Transportation Price Index Canada (subcomponent of CPI) x 20%, applied to the previous twelve month period.

Total funding details for the period of five years including option years are provided in the table below:

Account Number	Contract years	Jess-Chem
		Cost net of GST and HST recoveries
WW100	March to December 2010	\$1,129,132.37
	2011	\$1,364,398.08
	2012	\$1,364,398.08
	TOTAL 3 years	\$3,857,928.53
	1 st Option Year 2013	\$1,364,398.08
	2 nd Option Year 2014	\$1,364,398.08
	TOTAL 5 years	\$6,586,724.69

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(2) CONTRACT DETAILS
APPENDIX #4

Date: February 9, 2010

Call No:

Request for Quotation 6617-09-7076

Description:

The Supply and Delivery of Water Soluble Polyelectrolyte for Biosolids Dewatering for the City of Toronto's Toronto Water Division Wastewater Treatment Plants, as and when required for the period of three years, from the date of award to December 31, 2012 with an option to renew the Contract for two (2) additional one (1) year periods, at the sole discretion of the City and subject to budget approval. Should the option(s) be exercised, then the General Manager, Toronto Water will instruct the Chief Purchasing Official to process the necessary contract renewals under the same terms and conditions.

The RFQ was set up to award contracts to one or more Bidders based on the performance requirements of the Polymer Trial as indicated in the RFQ. The Polymer Trials consisted of an evaluation demonstrating that the Vendor's proposed products provided the lowest cost of polymer applied per dry tonne of dewatered biosolids.

Call Dates:

Issued on March 24, 2009, Closed on April 9, 2009.

Ward No:

All

Recommended Bidders:

SNF Canada Ltd.
CIBA Canada Ltd.

Contract Award Value:

SNF Canada Ltd.

Date of award to December 31, 2010 \$2,151,650.67 net of GST and HST Recoveries.

January 2011-December 31, 2012 \$5,199,936.00 net of GST and HST Recoveries.

Option Year 1-January 1, 2013 to December 31, 2013 \$2,599,968.00 net of GST and HST Recoveries.

Option Year 2-January 1, 2014 to December 31, 2014 \$2,599,968.00 net of GST and HST Recoveries.

Total amount net of GST and HST Recoveries is \$12,551,522.67.

CIBA Canada Limited

Date of award to December 31, 2010 \$555,134.25 net of GST and HST Recoveries.

January 2011-December 31, 2012 \$1,341,603.84 net of GST and HST Recoveries

APPENDIX #4

Option Year 1-January 1, 2013 to December 31, 2013 \$670,801.92 net of GST and HST Recoveries.

Option Year2-January 1, 2014 to December 31, 2014 \$670,801.92 net of GST and HST Recoveries.

Total amount net of GST and HST Recoveries is \$3,238,341.97 net of GST and HST Recoveries.

Total amount for both contracts is \$15,535, 300.00 net of all applicable taxes and charges, \$15,789,864.64 net of GST and HST Recoveries.

Number of Bids:

Four (4) Bids

Financial Impact:

The total potential contract award identified in this report is \$15,535,300.00 exclusive of all applicable taxes and charges. The cost to the City net of GST and HST Recoveries is \$15,789,864.64.

Funding in the amount of \$2,706,784.96 net of GST and HST Recoveries is included in 2010 Toronto Water Operating Budget, Wastewater Treatment Cost Centre WW100 Cost Element 2430.

Funding for the remainder of the contracts (from January 1, 2011 to December 31, 2014) in the amount \$13, 083,079.68 net of GST and HST recoveries will be included in the Division's 2011-2014 Operating Budget submissions. Funding details are provided below:

Due to volatile chemical market prices, funds for the option years will be reserved in the budget for any increases that may occur should the option to renew be exercised.

Unit prices for the option years will be subject to an annual price adjustment, based on the blended index equal to Industrial Product Price Index (IPPI, All Items) x 80% + Transportation Price Index Canada (subcomponent of CPI) x 20%, applied to the previous twelve month period.

APPENDIX #4

Total funding details for both vendors for the period of five years including option years are provided in the table below:

Account Number	Contract years	SNF	CIBA
		Cost net of GST and HST recoveries	
WW100	March to December 2010	\$2,151,650.67	\$555,134.29
	2011	\$2,599,968.00	\$670,801.92
	2012	\$2,599,968.00	\$670,801.92
	TOTAL 3 years	\$7,351,586.67	\$1,896,738.13
	1 st Option Year 2013	\$2,599,968.00	\$670,801.92
	2 nd Option Year 2014	\$2,599,968.00	\$670,801.92
	TOTAL 5 years	\$12,551,522.67	\$3,238,341.97
	Grand TOTAL	\$15,789,864.64	

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(2) CONTRACT DETAILS

Appendix #5

Date: February 3, 2010

Call No:

Tender Call 199-2009, Contract TWDO-TW-TWOS-MCP-06-00006

Description:

Wastewater Collection Pumping Station Upgrades and Rehabilitation – Group II

Call Dates:

Issued October 9, 2009, Closed January 15, 2010

Ward No:

6 Etobicoke-Lakeshore; 12 York South-Weston; 15 Eglinton-Lawrence; 36 Scarborough-Southwest; 43 Scarborough East; and 44 Scarborough East

Recommended Bidder:

Ainsworth Inc.

Total Contract Value:

\$4,997,067.00 net of all applicable taxes and charges

\$5,073,961.84 net of GST and HST Recoveries

The project is to start March 2010 and will end June 2012

Number of Bids:

8

Financial Impact:

This report identifies a total contract award of \$ 4,997,067.00 net of all applicable taxes and charges. The cost to the City net of GST and HST Recoveries is \$5,074,021.84. Funding for the contract award is included in the 2010 Toronto Water Capital Budget and 2011-2019 Capital Plan in WBS Element CWW465-02, Group 2 & 3 Sewage Pumping Station Upgrades as follows:

2010 net of GST and HST Recoveries	2011 net of GST and HST Recoveries	2012 net of GST and HST Recoveries	Total net of GST and HST Recoveries
\$1,260,159.54	\$2,542,509.22	\$1,271,253.08	\$5,074,021.84

The engineering estimate for this project is \$4,606,956.90 net of GST

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Contract Awards – Bid Committee Composite Report – February 17, 2010

(2) CONTRACT DETAILS
APPENDIX #6

Date: February 9, 2010

Call No:

Tender Call 220-2009, Contract No. WS-TW-WS—09-00977

Description:

Rehabilitation of the Rouge Elevated Water Tower

Call Dates:

Issued November 23, 2009, Closed December 21, 2009

Ward No:

Ward 42 – Scarborough – Rouge Rivers

Recommended Bidder:

APlus General Contractors Corporation

Contract Award Value:

\$ 2,289,970.00 net of all applicable taxes and charges*

\$ 2,307,242.92 net of GST and HST Recoveries

The contract is expected to start March 1, 2010 and end on September 30, 2010.

*Tender price corrected for mathematical errors. Purchasing and Materials Management has verified that the mathematical errors were corrected.

Number of Bids:

Two formal bids, 1 informal bid (not considered), Total – 3 bids

Financial Impact:

The total contract award identified in this report is \$2,289,970.00 net of all applicable taxes and charges. The cost to the City net of GST and HST Recoveries is \$2,307,242.92. Funding for the contract award is included in the 2010 Toronto Water Capital Budget and 2011-2019 Capital Plan in WBS Elements CPW058 – Transmission Rehab and Replacement and CPW060 – Transmission Rehab and Replacement, net of GST and HST Recoveries, is as shown in the following table:

WBS Element	2010	2011	Total
CPW058	1,360,000.00	275,000.00	1,635,000.00
CPW060	600,000.00	72,242.92	672,242.92
Total	1,960,000.00	347,242.92	2,307,242.92

The engineering estimate for this project is \$2,400,000.00 net of all taxes.

APPENDIX #6

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