



BID COMMITTEE CONTRACT AWARD

Award of Request for Quotation No. 6038-15-7284 for Backhoe Services with Operators for planned, unplanned and emergency work and repair activities within the North York and Etobicoke Districts.

Date:	December 3, 2015
To:	Bid Committee
From:	Director, Purchasing and Materials Management
Wards:	Etobicoke District (Wards 1, 2, 3, 4, 5, 6, 7, 11, 12, 13 and 17) and North York District (Wards 8, 9, 10, 15, 16, 23, 24, 25, 26, 33, and 34).

RECOMMENDATIONS

The Director of Purchasing and Materials Management recommends that the Bid Committee grant authority to award the following contract:

Call No:	Request for Quotation No. 6038-15-7284
Description:	<p>For the non-exclusive supply of all labour, materials, equipment necessary to provide Backhoe Services with Operators for planned, unplanned and emergency work and repair activities within the North York and Etobicoke Districts for the period of January 1, 2016 to December 31, 2016, with the option to renew the Contract for additional three (3) separate one (1) year periods at the sole discretion of the City and subject to budget approvals(s).</p> <p>Should the option(s) be exercised, then the General Manager of Toronto Water will request the Director of Purchasing and Materials Management to process the renewal under the same terms and conditions.</p>
Recommended Bidders:	<ol style="list-style-type: none"> 1. Cipparrone Construction Ltd.; 2. Queensway Excavating & Landscaping Ltd.; 3. V & T Contracting & Excavating Inc.; and 4. Ruffolo Contracting Ltd.
Contract Award Value:	<p><u>Cipparrone Construction Ltd.</u></p> <p>\$539,100.00 net of all applicable taxes and charges \$609,183.00 including all applicable taxes and charges \$548,588.16 net of HST recoveries</p>

	<p>The contract is expected to start on January 1, 2016 and end on December 31, 2017</p> <p>Option 1 – January 1, 2017 to December 31, 2017 \$555,273.00 net of all applicable taxes and charges \$627,458.49 including all applicable taxes and charges \$565,045.80 net of HST recoveries</p> <p>Option 2 – January 1, 2018 to December 31, 2018 \$571,931.19 net of all applicable taxes and charges \$646,282.24 including all applicable taxes and charges \$581,997.18 net of HST recoveries</p> <p>Option 3 – January 1, 2019 to December 31, 2019 \$589,089.13 net of all applicable taxes and charges \$655,670.71 including all applicable taxes and charges \$599,457.09 net of HST recoveries</p> <p>The total potential cost to the City including all option years is \$2,295,088.24 net of HST recoveries. The total potential contract award including all option years is \$2,548,594.45 including all applicable taxes and charges and \$2,255,393.32 net of all applicable taxes and charges.</p> <p><u>Queensway Excavating & Landscaping Ltd.</u></p> <p>\$702,492.00 net of all applicable taxes and charges \$793,815.96 including all applicable taxes and charges \$714,855.86 net of HST recoveries</p> <p>The contract is expected to start on January 1, 2016 and end on December 31, 2017</p> <p>Option 1 – January 1, 2017 to December 31, 2017 \$723,566.76 net of all applicable taxes and charges \$817,630.44 including all applicable taxes and charges \$736,301.53 net of HST recoveries</p> <p>Option 2 – January 1, 2018 to December 31, 2018 \$745,273.76 net of all applicable taxes and charges \$842,159.35 including all applicable taxes and charges \$758,390.58 net of HST recoveries</p> <p>Option 3 – January 1, 2019 to December 31, 2019 \$767,631.98 net of all applicable taxes and charges \$867,424.13 including all applicable taxes and charges \$781,142.30 net of HST recoveries</p> <p>The total potential cost to the City including all option years is \$2,990,690.27 net of HST recoveries. The total potential contract award including all option years is \$3,321,029.88 including all applicable taxes and charges and \$2,938,964.50 net of all applicable taxes and charges.</p>
--	---

	<p><u>V & T Contracting & Excavating Inc.</u></p> <p>\$186,450.00 net of all applicable taxes and charges \$210,688.50 including all applicable taxes and charges \$189,731.52 net of HST recoveries</p> <p>The contract is expected to start on January 1, 2016 and end on December 31, 2017</p> <p>Option 1 – January 1, 2017 to December 31, 2017 \$192,043.50 net of all applicable taxes and charges \$217,009.16 including all applicable taxes and charges \$195,423.47 net of HST recoveries</p> <p>Option 2 – January 1, 2018 to December 31, 2018 \$197,804.81 net of all applicable taxes and charges \$223,519.43 including all applicable taxes and charges \$201,286.17 net of HST recoveries</p> <p>Option 3 – January 1, 2019 to December 31, 2019 \$203,738.95 net of all applicable taxes and charges \$230,225.01 including all applicable taxes and charges \$207,324.75 net of HST recoveries</p> <p>The total potential cost to the City including all option years is \$793,765.91 net of HST recoveries. The total potential contract award including all option years is \$881,442.10 including all applicable taxes and charges and \$780,037.25 net of all applicable taxes and charges.</p> <p><u>Ruffolo Contracting Ltd.</u></p> <p>\$750,660.00 net of all applicable taxes and charges \$848,245.80 including all applicable taxes and charges \$763,871.62 net of HST recoveries</p> <p>The contract is expected to start on January 1, 2016 and end on December 31, 2017</p> <p>Option 1 – January 1, 2017 to December 31, 2017 \$773,179.80 net of all applicable taxes and charges \$873,693.17 including all applicable taxes and charges \$786,787.76 net of HST recoveries</p> <p>Option 2 – January 1, 2018 to December 31, 2018 \$796,375.19 net of all applicable taxes and charges \$899,903.97 including all applicable taxes and charges \$810,391.40 net of HST recoveries</p> <p>Option 3 – January 1, 2019 to December 31, 2019 \$820,266.45 net of all applicable taxes and charges \$926,901.09 including all applicable taxes and charges \$834,703.14 net of HST recoveries</p> <p>The total potential cost to the City including all option years is \$3,195,753.92 net of HST recoveries. The total potential contract</p>
--	--

	<p>award including all option years is \$3,548,744.03 including all applicable taxes and charges and \$3,140,481.44 net of all applicable taxes and charges.</p> <p><i>Combined total (Cipparrone Construction Ltd, Queensway Excavating & Landscaping Ltd, V&T Contracting & Excavating Inc and Ruffolo Contracting Ltd):</i></p> <p>The combined total potential cost to the City including all option years is \$9,275,298.34 net of HST recoveries. The total potential award including all option years is \$10,299,810.46 including all applicable taxes and charges and \$9,114,876.51 net of all applicable taxes and charges.</p> <p>The above cost calculations for the Option Years reflect an estimated 3% increase in the Consumer Price Index (CPI).</p>
--	---

Financial Impact:

The total potential contract including all option years is \$10,299,810.46 including all applicable taxes and charges and \$9,114,876.51 net of all applicable taxes and charges. The total potential cost to the City including the option years is \$9,275,298.34 net of HST recoveries.

Funding in the amount of \$2,217,047.16 net of HST recoveries for the period from the date of award to December 31, 2016 has been included in the 2016 Recommended Operating Budget for Toronto Water.

Should the City choose to exercise its option to renew for an additional three (3) separate one (1) year periods, then appropriate funding, if needed, will be included in 2017-2019 Operating Budget Submissions for Toronto Water.

Funding details are provided in the table below:

Account No.	Cost Element	Description	<u>Contract Period</u>	(Option Year 1)	(Option Year 2)	(Option Year 3)	Total
			January 1 to December 31, 2016 (net of HST recoveries)	January 1 to December 31, 2017 (net of HST recoveries)	January 1 to December 31, 2018 (net of HST recoveries)	January 1 to December 31, 2019 (net of HST recoveries)	(net of HST recoveries)
TW2030	4424	District Operations and Maintenance Etobicoke York and North York District	\$2,217,047.16	\$2,283,558.57	\$2,352,065.33	\$2,422,627.29	\$9,275,298.34

CALL SUMMARY

Ward No:	Etobicoke York Districts (wards 1, 2, 3, 4, 5, 6, 7, 11, 12, 13 and 17) and North York Districts (wards 8, 9, 10, 15, 16, 23, 24, 25, 26, 33, and 34).	
Call Dates:	Issued: October 23, 2015, Closed: November 12, 2015	
# of Addenda Issued:	One (1)	
Number of Bids: (7)	Bidder Name	Hourly Unit Prices per Original RFQ
	1. Cipparrone Construction Ltd. 2. Queensway Excavating & Landscaping Ltd. 3. V & T Contracting & Excavating Inc. 4. Ruffolo Contracting Ltd. 5. N + M Excavating Ltd. 6. A & F DiCarlo Construction Inc. 7. Pave-Tar Construction Ltd.	\$94.64 \$94.99 \$99.00 \$99.45 \$102.74 \$114.00 \$185.00
Division Contacts	Allison Phillips, Manager Professional Services Purchasing and Materials Management Division Telephone: 416-397-4801 Email: aphilli2@toronto.ca	Frank Trinchini, Manager Contract Services Toronto Water Telephone: 416-395-6284 Email: ftrinchi@toronto.ca

COMMENTS

For the recommended contract award, 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 appropriate Division has reviewed submissions and found the price to be reasonable, within available budget and concurs with the recommendation;
- (c) the total contract value is less than \$20 million dollars (excluding applicable taxes) and the contract term is:
 - i. for a contract funded by the operating budget, 5 years or less including any option years; or
 - ii. for a contract funded by the capital budget, within the projected term of the capital funding for the project as set out in the capital budget,

being within the authority of the Bid Committee;

- (d) there are no material written objections to the award;
- (e) the call document was advertised on the City's internet website and bids or proposals were opened publicly; and
- (f) 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.

Michael Pacholok
Director, Purchasing and Materials Management Division