TORONTO

REPORT FOR ACTION

Award of Contract Number 21ECS-LU-01TT to EBC Bessac Canada (FSPSTT) JV for the Construction of the Fairbank Silverthorn Storm Trunk Tunnel and Micro-Tunneled Storm Collectors for Basement Flooding Protection Program Study Area 3

Date: June 18, 2021
To: Infrastructure and Environment Committee
From: Chief Engineer and Executive Director, Engineering and Construction Services, General Manager, Toronto Water and Chief Procurement Officer, Purchasing and Materials Management
Wards: 5 (York South-Weston), 8 (Eglinton-Lawrence), 9 (Davenport), 12 (Toronto-St. Paul's)

SUMMARY

The purpose of this report is to advise of the results of Contract Number 21ECS-LU-01TT, Ariba Document Number 2793902914, for construction of the Fairbank Silverthorn Storm Trunk Tunnel and Micro-Tunneled Storm Collectors in the Basement Flooding Protection Program Study Area 3, Assignment Number 3-03, which is bounded by Black Creek Drive, Vaughan Road, Rogers Road and Castlefield Avenue, and request authority to award the contract to EBC Bessac Canada (FSPSTT) JV, in the amount of $202,217,400 net of all applicable taxes and charges ($205,776,426 net of HST recoveries).

Authority is also being requested to amend Purchase Order Numbers 6048944 (insurance premiums) and 6051590 (commissions) with Marsh Canada Limited, for insurance premiums and related commission, respectively, for the procurement of an Owner Controlled Insurance Program for Contract Number 21ECS-LU-01TT by a total combined amount of $8,131,242 net of all applicable taxes and charges ($8,781,741 including PST).

Authority is also being requested to reallocate project costs and cash flows in Toronto Water's Approved 2021 Capital Budget and 2022-2030 Capital Plan in the amount of $8,781,741 million from a project that will be awarded under budget to support the cost of awarding the construction of Fairbank Silverthorn Storm Trunk Tunnel contract and associated Owner Controlled Insurance costs.

RECOMMENDATIONS

The Chief Engineer and Executive Director, Engineering and Construction Services, the General Manager of Toronto Water and the Chief Procurement Officer, Purchasing and Materials Management recommend that:

1. City Council, in accordance with Section 195-8.5 of the Toronto Municipal Code Chapter 195 (Purchasing By-Law), grant authority to award Contract Number 21ECS-LU-01TT, Ariba Document Number 2793902914, for the construction of the Fairbank Silverthorn Storm Trunk Tunnel and Micro-Tunneled Storm Collectors and other related improvements in the area bounded by Black Creek Drive, Vaughan Road, Rogers Road and Castlefield Avenue, in the amount of $202,217,400 net of all applicable taxes and charges ($205,776,426 net of HST recoveries), having submitted the lowest compliant bid and meeting the specifications in conformance with the Request for Tenders requirements.

2. City Council grant authority to amend Purchase Order Numbers 6048944 (insurance premiums) and 6051590 (commissions) with Marsh Canada Limited, by $6,757,621 and $1,373,621 net of all applicable taxes and charges respectively ($7,298,230 and $1,483,511 including PST respectively). The combined amount for these two purchase order amendments is $8,131,242 net of all applicable taxes and charges ($8,781,741 including PST).

3. City Council authorize the reallocation of project costs and cash flows in Toronto Water's Approved 2021 Capital Budget and 2022-2030 Capital Plan in the amount of $8,781,741 million from Ashbridges Bay Wastewater Treatment Plant - Waste Activated Sludge Upgrade project that will be awarded under budget to support the cost of amending Purchase Order Numbers 6048944 (insurance premiums) and 6051590 (commissions) for Owner Control Insurance costs, as presented in Table 3 of the Financial Impact Statement, with a zero Budget impact to Toronto Water.

FINANCIAL IMPACT

Fairbank Silverthorn Storm Trunk Tunnel Construction Contract

The total value of the construction contract award for Contract Number 21ECS-LU-01TT, Ariba Document Number 2793902914, for the Basement Flooding Protection Program Study Area 3, under Assignment Number 3-03, is $228,505,662 including HST and all applicable charges. The total cost to the City is $205,776,426 net of HST recoveries.

Funding for this contract award is included in the 2021 Approved Capital Budget and 2022-2030 Approved Capital Plan for Toronto Water. Funding details with forecasted expenditures, (net of HST recoveries) are provided in Table 1.

Table 1: Financial Impact Summary of Recommended Contract

Year	**CWW421-22** Basement Flooding Relief	**CPW544-22-01** Water Service Replacement	**Total (Net of HST Recoveries)**
2021	$9,000,000	$20,000	$9,020,000
2022	$45,000,000	$130,000	$45,130,000
2023	$60,000,000	$100,000	$60,100,000
2024	$60,000,000	$19,664	$60,019,664
2025	$31,506,762	$0	$31,506,762
Total	$205,506,762	$269,664	$205,776,426

Note: Cash flow values include contingency allowance and are net of HST recoveries

Purchase Order Amendments

The combined value of the amendments for Purchase Order Numbers 6048944 (insurance premiums) and 6051590 (commissions) with Marsh Canada Limited, is $8,131,242 net of all applicable taxes and charges. The total cost the City is $8,781,741 including PST. Funding requirements with forecasted expenditures (including PST) are provided in Table 2.

Table2: Financial Impact Summary of the Owner Controlled Insurance Program

Year	**CWW421-22** Basement Flooding Relief
2021	$7,000,000
2022	$1,781,741
Total	$8,781,741

Note: Cash flow values include contingency and PST

Currently, there is insufficient funding in Toronto Water's approved 2021 Capital Budget and 2022-2030 Capital Plan for amendment of Purchase Orders with Marsh Canada Limited. Additional funding is required to accommodate costs shown in Table 2 above.

The approval of Recommendation 3 of this report will authorize the reallocation of funding for additional project costs to support the amendment of Purchase Orders as outlined in Table 3 below. The additional costs for the amendments will be offset from funds available from the Ashbridges Bay Wastewater Treatment Plant - Waste Activated Sludge Upgrade - Construction Project. There are no additional costs to the City as a result of the approval of this report.

Table 3: Budget Adjustment Reallocations

Program Area	Account Number	Project	2021 Proposed Reallocation	2022 Proposed Reallocation	Total Reallocation
Basement Flooding Protection	CWW421-22	Basement Flooding Tunnel - Construction	$7,000,000	$1,781,741	$8,781,741
Ashbridges Bay Wastewater Treatment Plant	CWW043-06	Waste Activated Sludge Upgrade - Construction	($7,000,000)	($1,781,741)	($8,781,741)
	TOTAL		**$0**	**$0**	**$0**

Subject to approval of the reallocation of funding outlined in Table 3, funding for the Owner Controlled Insurance Program will be included in Toronto Water's approved 2021 Capital Budget and 2022-2030 Capital Plan under account CWW421-22 Basement Flooding Relief, with forecasted expenditures outlined in Table 2 above.

The Chief Financial Officer and Treasurer have reviewed this report and agree with the financial impact information.

DECISION HISTORY

At its meetings of September 24, 2008 and September 21, 2011, City Council adopted criteria to prioritize and sequence recommended Basement Flooding Protection Program projects, that are identified through completed studies to protect the greatest number of properties as soon as possible, within approved budgets, as appropriate funding opportunities are available and in coordination with other capital projects and population growth needs in the area. The Council-adopted criteria and the corresponding staff reports can be found at:
http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2008.EX23.16
and http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2011.PW7.6

At its meeting of December 17 and 18, 2019, City Council adopted the 2020 Staff Recommended Capital Budget and the 2021-2029 Staff Recommended Capital Plan for Toronto Water. In support, a briefing note titled "2020 Capital Budget Briefing Note - Basement Flooding Protection Program - Program Status Update and Project List: 2020 to 2024", contains the updated planned schedule for engineering design and construction of infrastructure upgrades supporting Toronto Water's Basement Flooding Protection Program. The Council-adopted item and the briefing note can be found at:
http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2020.EX19.9

and https://www.toronto.ca/legdocs/mmis/2020/ex/bgrd/backgroundfile-158996.pdf

On June 6, 2019, Executive Committee adopted with amendments EX6.4 – Federal Disaster Mitigation and Adaptation Fund – Update. This report provides an update on the Disaster Mitigation and Adaptation Fund program and seeks City Council approval for the Mayor to execute contribution agreements for projects that are successful in receiving funding under the Disaster Mitigation and Adaptation Fund. The Executive Committee decision can be found at:
http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.EX6.4

At its meetings of September 30, October 1 and 2, 2020, City Council adopted GL15.3 Expropriation of Easements to Construct the Fairbank Silverthorn Storm Trunk Sewer System Stage 2. City Council authorized expropriation of stratified permanent easements at ten private properties, to construct the Storm Trunk Tunnel, which will be constructed using a tunnel-boring machine at a depth of 13 to 40 meters below the surface of each impacted property. The Council-adopted item and the corresponding staff reports can be found at:
http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2020.GL15.13
and https://www.toronto.ca/legdocs/mmis/2020/gl/bgrd/backgroundfile-156189.pdf

Owner Controlled Insurance Program

At its meeting of December 14, 2017, Bid Award Panel granted authority to award the contract for Insurance Broker Services for the City, to Marsh Canada Limited, being the highest scoring proponent, meeting the requirements of Request for Proposal Number 9105-17-7180. The services provided by the City's Broker include the procurement and maintenance of the City's annual corporate insurance policies, consulting on construction and surety matters, placement of non-routine insurance policies and insurance procurement for Division-specific purposes, such as the Fairbank Silverthorn Project.

The scope of the Insurance Broker Services allows City Divisions to acquire insurance that is in addition to the City's usual suite of annual corporate insurance policies. Requests for project specific insurance coverage are reviewed by the City's Risk Management staff in consultation with the City's Insurance Broker on a case by case basis, and when additional coverage is warranted, the funding for the insurance premiums associated with the additional coverage are the responsibility of the City Division requiring the coverage. The Bid Award Panel decision can be found at:
http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.BA55.1

COMMENTS

Background

There are 67 Basement Flooding Protection Program Study Areas across the entire City. As shown in Attachment 1, Study Area 3 is bounded by Black Creek Drive, Vaughan Road, Rogers Road and Castlefield Avenue.

Several areas of chronic, recurring basement flooding were identified in Area 3. These areas are low-lying, with no outlet for storm water during extreme storm events. The Class Environmental Assessment Study for Area 3 was initiated in January 2008 and completed in March 2011. The recommended infrastructure upgrades that were identified through the Class Environmental Assessment to alleviate the recurrent basement flooding in Area 3 included the following:

- A new, 2.5 kilometre long and 3.0 metre diameter Storm Trunk Tunnel, to be tunneled from the east boundary of the Study Area westerly to an outlet in Black Creek,
- Approximately 9 kilometres of new storm collectors of various sizes,
- Two underground combined sewer overflow storage tanks, and
- Approximately 500 Inlet Control Devices installed in catch basins to control storm water entering combined sewers.

Four construction contracts were issued from 2012 to 2013, for the infrastructure upgrades that were not directly connected to, or dependent on the Fairbank Silverthorn Storm Trunk Tunnel. As shown on Attachment 2, these four contracts included approximately 2.5 kilometres of new sewers and a single underground combined sewer overflow storage tank in Charles Caccia Park, which provides the same storage capacity as the two smaller tanks recommended in the Class Environmental Assessment study. These projects are all complete and operational.

Detailed design of the remaining infrastructure for the Fairbank Silverthorn Project took additional time due to the complexity, challenges, cost and several enhancements that were required during detailed design as follows:

1. The Storm Trunk Tunnel alignment crosses below ten private properties, requiring easement rights prior to construction. The easements could not be prevented due to the tunnel boring machine turning radius limitation and dead-end streets in the service area. Corporate Real Estate Management staff were able to acquire one easement through negotiation. The remaining nine easements were expropriated and the expropriation process wasn't completed until February 2021.

2. The original Class Environmental Assessment tunnel alignment required the purchase of two additional properties and demolition of buildings to support the construction of shafts necessary for the tunnel construction. During detailed design, the tunnel alignment and shaft locations were changed to preclude the acquisition of these properties. This realignment further extended the detailed design schedule.

3. To support the detailed design, hydraulic modelling previously undertaken during the Class Environmental Assessment process, to determine the optimal sizing of the tunnel

and local sewer upgrades, was refined based on updated topographic survey data. Additionally, the hydraulic modelling was further updated based on flow contributions forecasted from Basement Flooding Protection Class Environmental Studies undertaken in adjacent study areas.

As a result of the hydraulic model refinements, the scope of the final solution for Study Area 3 increased as follows:

- Approximately 17 kilometres of new storm collectors will be constructed instead of 9 kilometres proposed by the Class Environmental Assessment Study,
- The size of the Storm Trunk Tunnel increased from 3 metres to 4.5 metres due to the increased length of the new storm collectors and corresponding increase in stormwater flows, and
- An additional 330 Inlet Control Devices installed at catch basins will be necessary to control stormwater entering the existing combined sewer system.

The revised scope of the Fairbank Silverthorn Project is shown in Attachment 1, and the Project will be constructed through three separate construction contracts as summarized below:

Contract Number 21ECS-LU-01TT

The contract award associated with this Report consists of the construction of a new 3 km in length, primarily 4.5 metre diameter tunnel with a new outfall connection to Black Creek, shown as the brown line in Attachment 1 (from TS-3 to TS-1). The last 0.5 km length of the tunnel (from TS-1 to MTS-1 and Outfall) will be of 1.8 metre diameter tunnel section to restrict storm flows to Black Creek and to store excess storm flow in the tunnel. The in-line storage capacity of the tunnel is up to an estimated 38,800 cubic metres. This new Storm Trunk Tunnel will be constructed at depths ranging from 7 to 45 metres and will be the backbone of the new storm collection system.

Due to the similarity in construction methods and for constructability reasons, the scope of this contract also includes 1.4 km of 1.5 to 1.8 metre diameter micro-tunneled storm collectors, which are shown as blue lines with Micro Tunneling Shaft (MTS) locations in Attachment 1.

As shown in Attachment 1, TS-1 to TS-3 are three (3) tunneling shafts for the Storm Tunnel through which the tunneling boring machine will be launched and retrieved. DS-0 to DS-3 are four (4) drop shafts through which local storm sewers will be connected to the tunnel. These shafts will range in depth from 12 to 45 metres. In addition, 13 micro-tunneling shafts (labelled in Attachment 1 as MTS), approximately 8 to 15 metres deep, will be constructed to launch and retrieve the micro-tunneling boring machine.

Two Future Contracts for Storm Collector Sewers

Two contracts are planned in the near future for the construction of an estimated 15.6 km of new storm collector sewers (shown as the orange lines in Attachment 1) which will intercept road drainage, routing these stormwater flows to the new Tunnel. These

two contracts will be the subject of separate contract award reports to the Infrastructure and Environment Committee, planned for Q1-2022 and Q3-2022, respectively.

Project Outcomes and Benefits

The Fairbank Silverthorn Project, when fully constructed in 2026, will provide the following positive outcomes:

- Approximately 4,645 homes will be protected from surface flooding and sewer back up during the 100 year storm event, and
- Reduce the average annual discharge of combined sewer overflows to Black Creek and ultimately the Humber River and the City's Lake Ontario waterfront by approximately 39,000 cubic metres.

Prequalification of Contractors

Given the scale and complexity of the Fairbank Silverthorn Storm Trunk Tunnel, a contractor prequalification process was undertaken to ensure that the contractors invited to bid on the Tender had the necessary experience, expertise and equipment to successfully undertake the project within the prescribed timelines.

An invitation to prequalify was issued by the City's Purchasing and Materials Management Division on June 2, 2020 and submissions were accepted until July 28, 2020. A total of four submissions were received. All four submissions met the prequalification evaluation criteria and the four suppliers or joint ventures that were prequalified were as follows:

- EBC Bessac Canada (FSPSTT) JV (joint venture of EBC Incorporated and Bessac Canada)
- EDB JV (joint venture of Eiffage Innovative Canada Incorporated (EICI) and Construction Demathieu & Bard (CDB) Incorporated
- McNally Construction Incorporated
- North Tunnel Constructors Fairbank Unlimited Liability Company

Award for Contract Number 21ECS-LU-01TT,

Request for Tender Ariba Document Number 2793902914, Contract Number 21ECS-LU-01TT, for the Fairbank Storm Trunk Tunnel and Micro-tunneled Storm Collectors, was issued by the Purchasing and Materials Management Division and was advertised on both the City's and Ariba Discovery websites on January 27, 2021. Only the four prequalified suppliers were permitted to respond to this Request for Tender. On the closing date on April 14, 2021, all four prequalified suppliers or joint ventures submitted their bid as listed in Table 3 below:

Table 3: Suppliers and Bid Prices for Ariba Document Number 2793902914

Supplier	Bid Price including HST *

EBC Bessac Canada (FSPSTT) JV	$207,732,420
EDB JV	$238,769,561
McNally Construction Incorporated	$257,951,937
North Tunnel Constructors Fairbank ULC	$336,603,439

* Pursuant to the Request for Tenders document the contract award price includes contingency. Bid prices above do not include contingency.

The bids were reviewed and evaluated by staff from Purchasing and Materials Management Division and the Engineering and Construction Services Division and all four bids were found to be in conformance with the Tender Call requirements. The recommended supplier for Contract Number 21ECS-LU-01TT is EBC Bessac Canada (FSPSTT) JV.

Engineering and Construction Services staff compared the bids to the pretender-engineering estimate of $175,510,935 including HST and all applicable charges. The low bid price for the recommended supplier in the amount of $207,732,420 including HST and all applicable charges is eighteen percent higher than the pretender engineering estimate. Given that four bids were received and competitively bid, the higher than expected low bid price is reflective of current market conditions and likely reflective of costs and risks associated with this contract, including COVID related safety protocols, and the tunnelling operations below ten properties, narrow streets and two sets of railway tracks.

The City retained the services of a Fairness Monitor to ensure that the entire bidding process provided equal opportunities to all parties both during the prequalification process and throughout the tender process as well. The Attestation Reports for both the prequalification process and the tender process provided by the Fairness Monitor are included in Attachment 3.

The Fair Wage Office has reported that the recommended Supplier, EBC Bessac Canada (FSPSTT) JV, indicated that they have reviewed and understand the Fair Wage Policy and Labour Trades requirements and the recommended Supplier has agreed to comply fully.

The Tender submission from EBC Bessac Canada (FSPSTT) JV for Contract Number 21ECS-LU-01TT, Ariba Document Number 2793902914 includes their agreement to complete the works within a time frame of 1025 calendar days from the date of the issuance of the written Order to Commence.

A contingency allowance of $18,383,400 (net of HST) on the base scope of work has been added to the proposed contract award for additional work and/or services, which may be required to address any unforeseen conditions, which may arise during construction. This level of contingency is considered reasonable and necessary given the risks associated with this type of construction.

A single Purchase Order will be issued to EBC Bessac Canada (FSPSTT) JV for Contract Number 21ECS-LU-01TT in the amount of $202,217,400 net of all taxes with funding from the Toronto Water 2021 Approved Capital Budget and 2022-2030 Approved Capital Plan.

Owner Controlled Insurance Program

For the Fairbank Silverthorn Project, Contract Number 21ECS-LU-01TT, Insurance and Risk Management recommended purchasing an Owner Controlled Insurance Program given the scale, complexity, contract value, specialized equipment and requirements, and duration of the contract. In addition, there are numerous benefits of an Owner Controlled Insurance Program when compared to the traditional construction project insurance approach when undertaking a large-scale construction project, including:

Quality of Coverage

- An Owner Controlled Insurance Program provides the Owner (City) with direct control over the terms and conditions of coverage allowing the Owner to develop and impose the most appropriate and comprehensive clauses according to the specific contract.
- It eliminates gaps in coverage between what a contractor and their subcontractors might have under their own insurance policies (i.e., under the Contractor Controlled Insurance Program approach) and the insurance coverage needs of the City.
- All participants of the project are equally insured, thus allocating project risk more equitably.

Financial Stability:

- An Owner Controlled Insurance Program allows the City to control the selection of insurance companies to meet specific financial strength ratings.

Contractor Accountability:

- Contractors remain responsible for paying insurance policy deductible amounts on all claims incurred.

Claims Procedure:

- The claims settlement process responds directly to the City where the City is a named insured, rather than having the insurance companies report to the contractor. This allows the City direct communication with the insurers and greater control over the project timeline by reducing the likelihood of disruption due to insurance claims, and facilitates more effective and timely customer service in the event that any members of the public are affected by accidental damage resulting from the Fairbank Silverthorn Project.
- An Owner Controlled Insurance Program reduces or eliminates cross claims and coverage disputes between different insurance companies providing coverage on

the same project as all parties are covered under the same blanket insurance policies.

The following describes the insurance policies to be included within the Owner Controlled Insurance Program for Contract Number 21ECS-LU-01TT:

- All Risk Builders' Risk and Boiler & Machinery: protects the City, contractor, subcontractors, and consultants engaged in the Project against physical loss or property damage during construction, including loss of or damage to the Tunnel Boring Machine, due to an insured peril such as fire, flood, windstorm, earthquake and theft of materials.
- Commercial General Liability (Wrap-Up): protects the City, contractor, subcontractors and consultants engaged in the Project against liability arising from bodily injury and property damage to third parties during construction, including bodily injury and / or property damage that occurs after the Project is completed and up to the time when the Project becomes operational.
- Project Specific Contractors Pollution Liability: protects the City, contractor, subcontractors, and consultants engaged in the Project against legal liability arising from either gradual or sudden and accidental pollution events that arise from the Project and that cause damage or injury to third parties.
- Project Specific Professional Liability: provides coverage to all consultants endorsed on the policy from negligent acts, errors, or omissions in the performance of their professional services on the Project.

Through the City's Insurance Broker, quotations for the Owner Controlled Insurance Program premiums were obtained from various insurers. City staff reviewed the quotations and determined that the Owner Controlled Insurance Program premium was higher when compared to other City projects that used Owner Controlled Insurance Program. This might be due to the fact that insurance market rates have increased in the past two years and the fact that the insurance industry considers this project of higher risk since the proposed tunnel will pass below 10 private properties and several hundred properties within the tunneling zone of influence due to narrow roads below which the tunnel will pass.

Owner Controlled Insurance Program will provide a more comprehensive coverage and potential third party claims can be better managed through Owner Controlled Insurance Program than Contractor Controlled Insurance Program.

Specific insurance policy terms and conditions for the Owner Controlled Insurance Program, as well as a listing of the insurance companies approached for quotations and resultant responses, are on file at both Insurance and Risk Management and Engineering and Construction Services.

Amendment to Purchase Order Numbers 6048944 (insurance premiums) and 6051590 (commissions) for Marsh Canada Limited, for Payment of Owner Controlled Insurance Program Insurance Premium and Broker Commission Fees

An Owner Controlled Insurance Program is recommended by Insurance and Risk Management, as the most beneficial arrangement for Contract Number 21ECS-LU-01TT to construct the Fairbank Silverthorn Storm Trunk Tunnel and Micro-tunneled Storm Collectors.

Purchase Order Numbers 6048944 (insurance premiums) and 6051590 (commissions) were issued to Marsh Canada Limited, for Insurance Broker Services for the City of Toronto, following their selection through a competitive Request for Proposal. The services provided by the City's Broker include the procurement and maintenance of the City's annual corporate insurance policies, as well as consulting on construction and surety matters, and placement of non-routine insurance policies for Division-specific purposes. Although the terms of the contract with Marsh Canada Limited, permits City Divisions to use the City Broker to place insurance policies outside of the City's usual roster of annual corporate insurance policies, it is necessary to seek authorization for the procurement of additional Divisional insurance policies and insurance premium and commission expenditures.

This report recommends the Divisional insurance procurement of an Owner Controlled Insurance Program for the Fairbank Silverthorn Project and the subsequent amendment to the existing Purchase Order Numbers 6048944 (insurance premiums) and 6051590 (commissions) with Marsh Canada Limited, to process insurance premium and commission fee payments, which are not to exceed standard market commission rates and do not exceed the commission rates submitted by Marsh Canada Limited in response to the City's Request For Proposal Number 9105-17-7180 for Insurance Broker Services.

An amendment to Purchase Order Nos. 6048944 (insurance premiums) and 6051590 (commissions) with Marsh Canada Limited, by $6,757,621 and $1,373,621 net of all applicable taxes and charges, respectively ($7,298,230 and $1,483,511 including PST, respectively) is therefore required. The combined amount for these two purchase order amendments is $8,131,242 net of all applicable taxes and charges ($8,781,741 including PST). These funds represent an upset limit for the payment of insurance premiums and commission fees related to the Owner Controlled Insurance Program for Contract Number 21ECS-LU-01TT.

It is the opinion of City staff that the costs for Contract Number 21ECS-LU-01TT Owner Controlled Insurance Program insurance premiums, including commission rates, are fair, reasonable and consistent with the terms and conditions of RFP Number 9105-17-7180 for Insurance Broker Services.

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ATTACHMENTS

Attachment 1: Scope of Fairbank Silverthorn Project - Basement Flooding Protection Program Area 3

Attachment 2: Area 3 - Previously Completed Projects

Attachment 3: Fairness Monitor Attestation.