



BID COMMITTEE CONTRACT AWARD

Award of Tender No.172-2014 to Ontario Excavac Inc. for Water Service Valve and Valve Box locates, Repair, Replacement and Reporting on such work for various Toronto Water Division locations

Date:	June 25, 2014
To:	Bid Committee
From:	Acting Director, Purchasing and Materials Management

RECOMMENDATIONS

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

Call No:	Tender No. 172-2014
Description:	<p>Water Service Valve and Valve Box locates, repair, replacement and reporting on such work for various locations for a period of one (1) year from date of award to July 18, 2015, with the option to renew for an additional two (2) separate one (1) year periods at the discretion of the City and subject to budget approval(s).</p> <p>Should the option(s) be exercised, then the General Manager of Toronto Water, or his designate, will request the Acting Director of the Purchasing and Materials Management to process the renewals under the same terms and conditions.</p>
Recommended Bidder:	Ontario Excavac Inc.
Contract Award Value:	<p>\$6,597,324.80 net of all applicable taxes and charges \$7,454,977.02 including all applicable taxes and charges \$6,713,437.72 net of HST recoveries</p> <p>Contract is expected to start on the date of award and end on July 18, 2015.</p> <p>Optional Year One –July 19, 2015 to July 18, 2016 \$3,422,044.31 net of all applicable taxes and charges \$3,866,910.07 including all applicable taxes and charges</p>

	<p>\$3,482,272.29 net of HST recoveries</p> <p>Optional Year Two –July 19, 2016 to July 18, 2017 \$1,814,371.07 net of all applicable taxes and charges \$2,050,239.31 including all applicable taxes and charges \$1,846,304.00 net of HST recoveries</p> <p>The total potential cost to the City including all option years is \$12,042,014.01 net of HST recoveries. The total potential award including all option years is \$13,372,126.40 including all applicable taxes charges and \$11,833,740.18 net of all applicable taxes and charges.</p>
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Financial Impact:

The total potential contract award identified in this report including all option years is \$13,372,126.40 including all applicable taxes and charges. The total potential cost to the City including all option years is \$12,042,014.01 net of HST recoveries.

Funding in the amount of \$6,713,437.72 for the contract period is included in the 2014 Approved Capital Budget and the 2015-2023 Approved Capital Plan for Toronto Water under the Automated Meter Reading Pilot Project (WBS Element CPW532-02), as shown in the tables below.

Should the City choose to exercise its option to renew for the option years, , then appropriate additional funding, if needed, will be included in the 2015-2024 Capital Budget and Plan Submission for Toronto Water under the same project.

Period	Account CPW532-02	Total (net of HST Recoveries)
Date of Award to December 31, 2014	\$3,021,046.97	
January 1 to July 18, 2015	\$3,692,390.74	
<i>Total: Contract Period</i>	\$6,713,437.72	\$6,713,437.72
July 19 to December 31, 2015	\$1,567,022.53	
January 1 to July 18, 2016	\$1,915,249.76	
<i>Total: Option Year 1</i>	\$3,482,272.29	\$3,482,272.29
<i>Total: 2015 Budget Year</i>	\$5,259,413.28	
July 19 to December 31, 2016	\$830,836.80	
January 1 to July 18, 2017	\$1,015,467.20	
<i>Total: Option Year 2</i>	\$1,846,304.00	\$1,846,304.00
<i>Total: 2016 Budget Year</i>	\$2,746,086.56	
Grand Total	\$12,042,014.01	\$12,042,014.01

CALL SUMMARY

Ward No:	All Wards	
Call Dates:	Issued: May 26, 2014, Closed: June 4, 2014	
# of Addenda Issued:	None (0)	
Number of Bids: 2	Firms	Bid Price (incl. HST)
	1. Aqua Tech Solutions Inc.	\$6,333,962.56*
	2. Ontario Excavac Inc.	\$7,454,977.02
	* Bid was non-compliant with Tender requirements.	
Division Contacts	Allison Phillips Acting Manager Purchasing and Materials Management Division Telephone: 416-397-4801 Email: aphilli2@toronto.ca	Randy Smith CET Supervisor Toronto Water Division Telephone: 416-338-3999 Email: rsmith@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.

Victor Tryl, P. Eng.
Acting Director, Purchasing and Materials Management Division