



BID COMMITTEE CONTRACT AWARD

Award of Tender Call No. 221-2015 to Kenco Construction Ltd. for Watermain Replacement, Road Resurfacing and Sidewalk Construction and associated works at various locations in the City of Toronto

Date:	August 17, 2015
To:	Bid Committee
From:	Director, Purchasing and Materials Management

RECOMMENDATIONS

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

Call No:	Tender No. 221-2015
Description:	Contract No. 15ECS-LU-03SU for The Supply of labour, equipment and material for the construction and installation including testing, restoration and associated works for Watermain Replacement at Midland Avenue, Pitfield Road, Finch Avenue East and McCowan Road and Road Resurfacing and Sidewalk Construction at Midland Avenue from Fishleigh Drive to Romana Drive in the City of Toronto.
Recommended Bidder:	Kenco Construction Ltd.
Contract Award Value:	<p>\$5,015,545.00 net of all applicable taxes and charges \$5,667,565.85 including all applicable taxes and charges \$5,103,818.59 net of HST recoveries</p> <p>Contract is expected to start on date of award and end on June, 2016.</p>

Financial Impact:

The contract award identified in this report is \$5,667,565.85 including all applicable taxes and charges. The cost to the City is \$5,103,818.59 net of HST recoveries.

Funding in the amount of \$4,804,928.10 is included in the 2015 Approved Capital Budget and 2016-2024 Approved Capital Plan for Toronto Water. Funding in the amount

of \$298,890.49 is included in the 2015 Approved Capital Budget and 2016-2024 Approved Capital Plan for Transportation Services. Funding details are provided below:

WBS Element	Description	2015 (net of HST recoveries)	2016 (net of HST Recoveries)	2017 (net of HST Recoveries)	Total (net of HST Recoveries)
CPW542-17-17	District Watermain Replacement-2014	\$1,421,000.00	\$2,541,262.80	\$200,000.00	\$4,162,262.80
CPW544-13-22	2015 Water Service Replacement-SOGR	\$ 100,000.00	\$ 447,665.30	\$ 95,000.00	\$ 642,665.30
	<i>Sub-total: T.W.- Capital</i>	<i>\$1,521,000.00</i>	<i>\$2,988,928.10</i>	<i>\$295,000.00</i>	<i>\$4,804,928.10</i>
CTP315-07-122	Local Road Rehabilitation	\$ 100,000.00	\$ 131,357.47		\$ 231,357.47
CTP415-01-104	Sidewalks		\$ 67,533.02		\$ 67,533.02
	<i>Sub-total: Transp.- Capital</i>	<i>\$ 100,000.00</i>	<i>\$ 198,890.49</i>		<i>\$ 298,890.49</i>
Total		\$1,621,000.00	\$3,187,818.59	\$295,000.00	\$5,103,818.59

The engineering estimate for this project is \$4,863,700.00 net of all taxes and charges.

CALL SUMMARY

Ward Nos:	33 – Don Valley East; 36 – Scarborough Southwest; 41 – Scarborough-Rouge River	
Call Dates:	Issued: July 6, 2015; Closed: July 24, 2015	
# of Addenda Issued:	Three (3)	
Number of Bids: Three (3)	Firm Name	Bid Price (Incl. HST)
	Kenco Construction Ltd. Drainstar Contracting Ltd. Comer Group Ltd.	\$ 5,667,565.85* \$ 9,280,406.37* \$12,363,369.55*
	*Tender prices were corrected for mathematical errors. Purchasing and Materials Management has verified that the mathematical errors were corrected.	

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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