



STEED AND EVANS

April 9, 2015

Public Works and Infrastructure Committee

Agenda Item PW3.4

Results of Requests for Quotation 6032-14-0189 to 6032-14-0197 – Winter Maintenance on the City of Toronto Roads, Salting, Snow Ploughing and Snow Removal for Expressways, Arterial and Collector Roads

Good Morning: Chair, Councillors and Committee Members

Thank you for your time.

My name is Jim Hurst.

I am Vice President of Steed and Evans Limited and also a Past President of ORBA (the Ontario Road Builders Association)

I am here to promote fair, open and transparent tendering of public contracts.

The road maintenance industry strives for fair, open and transparent tendering practices – I'm sure you would all agree. Owners, consultants and contractors alike should agree to this principle.

The 9 tenders that closed on Jan 31 all included an Experience and Qualifications component (Section 9.0). This is the first time that we have seen this requirement in a City tender for this type of work. We have performed winter maintenance work for the City continuously since the early 1970's. At this year's mandatory pre-bid meeting, contractors welcomed this addition to the documents.

Included in The Experience and Qualifications requirements is:

Regarding past project experience – and I quote “At least one of these projects must include contract work with a municipality or provincial agency (such as Class 1,2,3 or 4 roads under the Ontario Minimum Maintenance Standards)”

It goes on to read - and I quote “Failure to provide verifiable experience will result in the bid being declared non-compliant”.

In reviewing today's agenda, it appears that the City is poised to award contracts to contractors that cannot demonstrate the past experience qualification. In fact, there is no mention of the pass/fail review of the experience requirement.

I request that this committee revisit their review of the Experience and Qualifications requirements of the contractors before recommending the award to City Council.

These winter contracts are complex in nature. They run in a "firehall" type environment with workers living on site 24/7 for almost 6 months straight. Outside of rigorous maintenance work – dining facilities, on-site accommodations, morale, discipline are all demanding skills that are not learned overnight. The award of a 7 year long contract to an inexperienced contractor is a mistake.

The MTO can verify what can happen when an inexperienced contractor is awarded maintenance work. Recently an international contractor negotiated their way out of a long term \$13M annual contract after completing less than 3 years of the 12 year contract. The MTO's tender did not include an experience requirement. The MTO is now faced with the cost of retendering the contract.

I reiterate Steed and Evans' request for a further review of the Experience and Qualifications requirements for contractors. Winter maintenance of Toronto's City streets should not be left to the inexperienced. Public safety deserves better than this.

Thank you for your attention.

Any questions?

NUMBER:	6032-14-0195	ISSUED:	11/26/2014	CLOSING 12 NOON ON
REFER TO:	Christine Sze, 416-392-6180	REQ. #		1/31/2015
CLIENT:	Transportation Services			

9.0 EXPERIENCE AND QUALIFICATIONS

9.1 The Bidder must have the following experience in order to be considered for award:

Must have completed or be in the process of completing a minimum of two (2) similar projects within Canada in the past ten (10) years. At least one (1) of these projects must include contract work with a municipality or provincial agency (such as on Class 1, 2, 3, or 4 roads under the Ontario Minimum Maintenance Standards).

In order to prove they have the required experience, the Bidder must complete and submit the Experience and Qualifications Form as contained in Quotation Submission Package as part of their Quotation submission and provide the following information:

- 1) Project description, i.e. location, scope of work, contract value and contract number;
- 2) Approval authority contact along with telephone or e-mail information;
- 3) Owner contact information; and
- 4) Consultant contact information (if applicable);

In providing the above information, the Bidder gives the City and the Consultant consent to contact these individuals to confirm the same. Failure to provide the required information listed on the "Experience and Qualifications Form" shall render the Quotation non-compliant. The City will make its own arrangements in contacting the references. If, at the City's sole discretion, the references do not confirm the Bidder's confirm the above information as required as a part of this Quotation, the Bid will be deemed non-compliant and will not be considered for award.

The City reserves the right to verify whether Bidders are relying upon past experience of an affiliated/related legal entity including the nature of the corporate relationship and its relevance to this project. If, at the City's sole discretion, it is determined that a Bidder is relying on an affiliated/related legal entity's past experience and a transfer of the affiliated/related legal entity's experience cannot be demonstrated as relevant to this project then the bid will be deemed non-compliant and not be considered for award.

10.0 QUOTATION SECURITY (MANDATORY)

10.1 Every Bidder shall submit with their Bid, a Bid Bond in the amount of 10% of the Bid Price to provide a Performance Bond and a Labour and Material Bond for the due and proper performance of the work, each in the amount of 50% of the contract amount including an extended 24 month warranty period. The Bonds will be issued by a licensed surety company authorized to transact business in the Province of Ontario and shall be maintained in good standing until the fulfilment of the contract.

10.2 The bonds shall be in accordance with the City's standard form attached to this document.