



BID AWARD PANEL CONTRACT AWARD

Award of Tender Call 30-2019 to Direct Underground Inc. for Watermain, Water Services Replacement and Road Rehabilitation on Various Roads (Ward 1 and 2)

Date: April 4, 2019
To: Bid Award Panel
From: Chief Purchasing Officer
Wards: 1 and 2

RECOMMENDATIONS

The Chief Purchasing Officer recommends that the Bid Award Panel grant authority to award the following contract:

Call Number:

Tender Call No. 30-2019, Contract No. 19ECS-LU-02SU

Description:

Watermain and Water Services Replacement and Road Rehabilitation on Burnhamill Place, Clarion Road, Lloyd Manor Road, Silverthorne Bush Drive, Fourthgreen Place and West Deane Park Drive.

Recommended Bidder:

Direct Underground Inc.

Contract Award Value:

\$ 7,501,869 net of all applicable taxes and charges

\$ 8,477,112 including HST and all applicable charges

\$ 7,633,902 net of HST recoveries

Contract is expected to start on May 27, 2019 and end on December 31, 2021.

FINANCIAL IMPACT

The total contract award identified in this report is \$8,477,112 including all applicable taxes and charges. The cost to the City is \$7,633,902 net of HST recoveries.

Funding is available in the Toronto Water and Transportation Services 2019 Approved Capital Budget and 2020 to 2028 Approved Capital Plan. Funding is also available in the 2019 Approved Operating Budget for Transportation Services. Additional funding

will be requested in the 2020-2021 Operating Budget Submissions for Transportation Services. The approved cash flows for 2019 to 2021 are shown in Table 1.

Table 1: Financial Impact Summary of Recommended Contract

WBS Element/ Account	Description	Date of Award to Dec 31, 2019	Jan 1 2020 to Dec 31, 2020	Jan 1 2021 to Dec 31, 2021	Total (net of HST Recoveries)
CPW542-25-06	District Watermain Replacement - 2019	\$ 3,522,123	\$ 1,006,321	\$ 503,160	\$ 5,031,604
CPW544-21-14	2019 Water Services Replacement - SOGR	\$ 779,810	\$ 222,803	\$ 111,401	\$ 1,114,014
CTP315-07-309	Local Road Rehabilitation	\$ 923,109	\$ 263,745	\$ 131,873	\$ 1,318,727
CTP315-09-258	Major SOGR Pooled Contingency	\$ 100,559	\$ 28,731	\$ 14,366	\$ 143,657
TP0358-4495	Cut Repairs	\$ 13,894	\$ 3,970	\$ 1,985	\$ 19,849
TP0163-4498	Utility Cut Road Rehabilitation	\$ 4,236	\$ 1,210	\$ 605	\$ 6,051
Total		\$ 5,343,731	\$ 1,526,780	\$ 763,390	\$ 7,633,902

The engineering estimate for this project is \$8,107,475 net of all taxes and charges.

CALL SUMMARY

Call Issued: February 08, 2019
Number of Addenda Issued: Two (2)
Number of Bids: Eight (8)

Call Closed: March 18, 2019

Table 2: Summary of Bids Received for Tender Call Number 30-2019 including bid price

Bidder Name	Bid Price (including H.S.T.)
Direct Underground Inc.	\$8,477,112*
2489960 Ontario Inc.	\$8,930,644*
Pave-Al Limited	\$8,968,333*
Timbel Limited	\$9,751,539*

Bidder Name	Bid Price (including H.S.T.)
Gio-Crete Construction Ltd.	\$10,294,023*
GFL Infrastructure Group Inc.	\$10,540,140*
Clearway Construction Inc.	\$11,979,238*
Rafat General Contractor Inc.	\$12,950,433*

* Tender prices were corrected for mathematical errors. PMMD has verified that the mathematical errors were corrected.

DIVISION CONTACTS

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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 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:

1. for a contract funded by the operating budget, 5 years or less including any option years; or

2. 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 Award Panel;

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.

SIGNATURE

Michael Pacholok,
Chief Purchasing Officer