



BID AWARD PANEL CONTRACT AWARD

Award of Request for Proposal No. 9119-19-7187 to Century Group Inc. for Construction Management Services at the East Wing of Union Station & Select Floors of City Hall (City Office Swing Space Project)

Date: October 11, 2019
To: Bid Award Panel
From: Chief Purchasing Officer
Wards: No. 13 - Toronto Centre

RECOMMENDATIONS

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

Call Number:
Request for Proposal No. 9119-19-7187

Description:
The contract being awarded is for the provision of Construction Management Services at the East Wing of Union Station (Part 1) and select floors at City Hall (Part 2) utilizing a Canadian Construction Documents Committee (CCDC) 5B agreement and supplemental conditions. The projects will run concurrent, and the Construction Management Services Firm will act as a Prime Agent, on behalf of the City of Toronto, and provide complete turnkey projects including the procurement and delivery of all construction and necessary services and materials including the installation of furniture, fixtures, and equipment.

Recommended Bidder or Proponent:
Century Group Inc.

Contract Award Value:
\$17,541,700 net of all applicable taxes and charges
\$19,822,121 including HST and all applicable charges
\$17,850,434 net of HST recoveries

Contract is expected to start October 2019, and end on June 30, 2020.

FINANCIAL IMPACT

The total contract award identified in this report is \$19,822,121 including all applicable taxes and charges. The cost to the City is \$17,850,434 net of HST recoveries.

Funding is available in the 2019 Approved Capital Budget and 2020-2028 Approved Capital Plan for Facilities, Real Estate, Environment & Energy. The cash flow funding requirement for this service is summarized in the following table (net of HST recoveries).

Table 1: Financial Impact Summary of Recommended Contract

WBS Element	2019	2020	Total (net of HST recoveries)
CCA914-01 C/E 4420	\$3,861,156	\$11,583,468	\$15,444,624
CCA239-04 C/E 4420	\$308,892	\$926,677	\$1,235,570
CCA251-08 C/E 4420	\$292,560	\$877,680	\$1,170,240
TOTAL	\$4,462,608	\$13,387,825	\$17,850,434

CALL SUMMARY

Call Issued: August 26, 2019 **Call Closed:** September 16, 2019

Number of Addenda Issued: 4

Number of Bids: Five (5)

Table 2: Summary of Bids Received for RFP No. 9119-19-7187

Proponent Name
1. BDA Inc.
2. Buttcon Limited
3. Century Group Inc.
4. Michael Thomas Group Inc.*
5. Urbacon Buildings Group Inc.

*Did not meet minimum threshold for Stage 2B - Interview/Presentation and therefore did not have cost of services evaluated.

Range of Scores:

Of the four (4) Proposals which passed the minimum technical thresholds for Stage 2A - Rated Criteria, and Stage 2B - Interview/Presentation, the highest scoring proposal received 68.46 points out of a possible 100 points while the lowest scoring proposal received 37.45 points.

DIVISION CONTACTS

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COMMENTS

Part 1 - Construction Manager at Risk, Union Station, East Wing Build-out located at 61 Front Street East, Toronto, ON, will consists of the demolition and build-out of interior office swing space including the placement and fitting of furniture, fixtures and equipment for 92,000 square feet of interior office swing space on the second, third, and fourth floors of the East Wing of Union Station, and to be completed by May and June 2020.

Part 2 - Construction Manager at Risk, City Hall, East Tower Build-out located at 100 Queen Street West, Toronto, ON, will consists of the build-out of interior office space including the placement and fitting of furniture, fixtures, electrical wiring, communication cabling, paint, carpet, meeting room technology/integration and Window Frosting for 91,000 square feet of interior office space on floors 5 through 12, and 14 through 18 (13 floors) of the East Tower at City Hall. Construction is to start October 2019 and be completed by June 2020 with each floor started and fully completed and ready for occupancy, on an individual basis.

Under the CCDC 5B agreement and supplemental conditions for this project, the work will be performed on an actual-cost basis, plus two (2) types of fixed percentages to calculate the Construction Management Fees. The percentage applied to the Class A Construction Cost Estimates will be the CM's Fee for Services, and the CM's Fee for Work is a percentage of the Actual Cost of the Work. The parties may also agree to exercise the following options: Guaranteed Maximum Price (GMP), GMP plus Percentage Cost Savings, and conversion into a Stipulated Price Contract. An option may be exercised at the time of signing of this contract or any time during the term of the contract.

Decision History

At its meeting on July 16, 2019, City Council adopted the recommendation from the Deputy City Manager to proceed with the Office Optimization – Office Swing Space at Union Station project wherein Facilities Management and Purchasing and Materials Management will procure a third-party Project Management Services firm through a competitive process. The Project Management Services Firm will be responsible for all design, construction and furniture fixtures and equipment associated with the Union Station East Wing improvements:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.EX7.4>

At its meeting on May 14, 2018, Executive Committee adopted a staff report entitled "Optimizing the City-Wide Office Portfolio" and endorsed key directions to modernize and find efficiencies in the City-wide office portfolio:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2018.EX34.4>

At its meeting on July 4, 2017, City Council directed the Chief Corporate Officer to provide City Council with plans for the East Wing of Union Station to avoid opportunity cost of vacancy, including a financial analysis of the capital funding requirements and potential revenues or savings:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.AU9.9>

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:

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