

BA53.2



BID AWARD PANEL CONTRACT AWARD

Award of Request for Quotation No. 3926-19-5072 to Tarpon Contracting for Cleaning, Disinfection, De- chlorination, Disposal, Flushing and All Related Services for Reservoirs, Elevated Tanks, and All Applicable Hydraulic Structures for Toronto Water

Date: October 23, 2019
To: Bid Award Panel
From: Chief Purchasing Officer
Wards: All

RECOMMENDATIONS

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

Call Number:
RFQ Number 3926-19-5072

Description:
For the non-exclusive supply of all labour, equipment and materials necessary to provide cleaning, disinfection, de-chlorination, disposal, flushing and all related services for the watermain, reservoirs, elevated tanks, valves, pumps, appurtenances and all applicable hydraulic structures for the City of Toronto's Toronto Water Division.

Initial award shall be for a period of one (1) year from date of award to October 30, 2020 with the option to renew the contract for four (4) optional years.

Recommended Bidder:
Tarpon Contracting

Contract Award Value:
Initial Award Value from Award date to October 30, 2020
\$173,375 net of all applicable taxes and charges
\$195,914 including all applicable taxes and charges
\$176,426 net of HST recoveries

The contract is expected to start on date of award and end on October 30, 2020 for a period of one year.

Option Year 1: October 31, 2020 to October 30, 2021
\$178,576 net of all applicable taxes and charges
\$201,791 including all applicable taxes and charges
\$181,719 net of HST recoveries

Option Year 2: October 31, 2021 to October 30, 2022
\$183,934 net of all applicable taxes and charges
\$207,845 including all applicable taxes and charges
\$187,171 net of HST recoveries

Option Year 3: October 31, 2022 to October 30, 2023
\$189,452 net of all applicable taxes and charges
\$214,080 including all applicable taxes and charges
\$192,786 net of HST recoveries

Option Year 4: October 31, 2023 to October 30, 2024
\$195,135 net of all applicable taxes and charges
\$220,503 including all applicable taxes and charges
\$198,569 net of HST recoveries

The total potential contract award identified in this report, including all option years, is \$920,472 net of all applicable taxes and charges, \$1,040,133 including all applicable taxes and charges. **The total potential cost to the City, including the option years is \$936,672 net of HST recoveries.**

The above cost calculations for the Option Years reflect an estimated 3% increase as per the Consumer Price Index.

FINANCIAL IMPACT

The total potential contract award identified in this report, including all option years, is \$1,040,133 including all applicable taxes and charges. The total potential cost to the City, including the option years is \$936,672 net of HST recoveries.

Funding is available in the Toronto Water 2019 Approved Capital Budget and 2020-2028 Approved Capital Plan. Funding is also available in the Toronto Water 2019 Approved Operating Budget and additional funds will be requested in the 2020 Operating Budget Submissions.

Should the option periods be exercised, then additional funding will be requested in the 2020-2024 Operating Budget Submissions for Toronto Water.

The cash flow funding requirement for this service is summarized in the following table (net of HST recoveries).

Funding details are provided in Table 1 to follow:

Table 1: Financial Impact Summary of the Recommended Contract (Net of HST Recoveries)

WBS Element/ Cost Centre	Description	Base Period: Date of award to October 30, 2020	Optional Period 1: October 31, 2020 to October 30, 2021	Optional Period 2: October 31, 2021 to October 30, 2022	Optional Period 3: October 31, 2022 to October 30, 2023	Optional Period 4: October 31, 2023 to October 30, 2024	Total (Net of HST Recoveries)
CPW060-01	Transmission Facilities Rehab	\$176,426 (‘19 portion – approx. \$29,404)	\$156,279	\$161,731	\$167,346	\$173,129	\$834,912
TW7060 TW7065	WT&S Island TP		\$25,440	\$25,440	\$25,440	\$25,440	\$101,760
Total		\$176,426.40	\$181,719.19	\$187,170.77	\$192,785.89	\$198,569.47	\$936,672

The engineering estimate for this project is \$972,464 net of HST recoveries.

CALL SUMMARY

Call Issued: August 28, 2019

Call Closed: September 30, 2019

Number of Addenda Issued: Two (2)

Number of Bids: Two (2)

Table 2: Summary of Bids Received for RFQ #3926-19-5072, including bid price

Bidder Name	Bid Price (Including H.S.T.)
Corix Water Services	\$152,034*
Tarpon Contracting	\$195,914

*Bidder found non-compliant with mandatory requirements

DIVISION CONTACTS

Joanne Kehoe, Manager, Professional Services, Purchasing and Material Management Division, (416) 392-7323, Joanne.Kehoe@toronto.ca

Jackie Siu, Engineer, Toronto Water, Infrastructure and Development, Toronto Water Division, (416) 392-7557, Jackie.Siu@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:
 - 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