



BID AWARD PANEL CONTRACT AWARD

Award of Ariba Doc No. DOC2327429864 to Flow-Kleen Technology Ltd. for Catch Basin Inspection and Cleaning Services on Collector, Arterial and Local Roads in the City of Toronto for Toronto Water Division

Date: May 5, 2020
To: Bid Award Panel
From: Chief Purchasing Officer
Wards: All

RECOMMENDATIONS

The Chief Purchasing Officer recommends that the Bid Award Panel, pursuant to Section 195-8.3(1) of the Municipal Code, Chapter 195, Purchasing, exercise the power of a Standing Committee to grant authority to award the following contract:

Call Number:

Tender Call No. DOC2327429864, Request for Quotation No. 6037-20-7033

Description:

For the non-exclusive provision of all labour, materials and equipment necessary to provide Catch Basin Inspection and Cleaning Services on Arterial, Collector and Local Roads City Wide for the City of Toronto's Toronto Water Division from May 1, 2020 to April 30, 2021 with the option to renew the contract for four (4) additional separate one (1) year periods.

Should the option year be exercised, then the General Manager of Toronto Water will request the Chief Purchasing Officer to process the renewal under the same terms and conditions.

Recommended Bidder:

Flow-Kleen Technology Ltd.

Contract Award Value:

\$4,818,298 net of all applicable taxes and charges
\$5,444,677 including all applicable taxes and charges
\$4,903,100 net of HST recoveries

Contract is expected to start from May 1, 2020 and end on April 30, 2021.

Option Period 1 - May 1, 2021 to April 30, 2022

\$4,962,847 net of all applicable taxes and charges
\$5,608,017 including all applicable taxes and charges
\$5,050,193 net of HST recoveries

Option Period 2 - May 1, 2022 to April 30, 2023
\$5,111,732 net of all applicable taxes and charges
\$5,776,257 including all applicable taxes and charges
\$5,201,699 net of HST recoveries

Option Period 3 - May 1, 2023 to April 30, 2024
\$5,265,084 net of all applicable taxes and charges
\$5,949,545 including all applicable taxes and charges
\$5,357,750 net of HST recoveries

Option Period 4 - May 1, 2024 to April 30, 2025
\$5,423,037 net of all applicable taxes and charges
\$6,128,032 including all applicable taxes and charges
\$5,518,482 net of HST recoveries

The total contract award including all option years is \$26,031,222 net of HST recoveries, \$28,906,526 including all applicable taxes and charges, \$25,580,996 net of all applicable taxes and charges.

The above cost calculations for the Option Periods reflect an estimated 3% increase as per the Consumer Price Index (CPI).

FINANCIAL IMPACT

The total potential contract award identified in this report is, \$28,906,526 including all applicable taxes and charges. The cost to the City is \$26,031,222 net of HST recoveries.

Funding is included in the 2020 Approved Operating Budget for Toronto Water. Should the City choose to exercise its option to renew the contract for four (4) additional one (1) year periods, then appropriate additional funding, if needed, is also included in the 2021-2024 Operating Budget Submissions for Toronto Water. Funding details are summarized in Table 1 as follow:

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

Cost Centre / Description	Initial Term - May 1, 2020 to April 30, 2021 - *100% of expenditure will be spent in 2020	Option Period 1 - May 1, 2021 to Apr 30, 2022 *100% of expenditure will be spent in 2021	Option Period 2 - May 1, 2022 to April 30, 2023 *100% of expenditure will be spent in 2022	Option Period 3 - May 1, 2023 to April 30, 2024 *100% of expenditure will be spent in 2023	Option Period 4 - May 1, 2024 to April 30, 2025 *100% of expenditure will be spent in 2024	Total (net HST Recoveries)
TW2035 – 4424 (2830110001) D&C Program Maint.	\$4,903,100	\$5,050,192	\$5,201,698	\$5,357,749	\$5,518,482	\$26,031,222
TW2020 - 4424 (2830110001) D&C Dis Contr. Serv						
Total Net of HST Recoveries	\$4,903,100	\$5,050,192	\$5,201,698	\$5,357,749	\$5,518,482	\$26,031,222

* No expenditures expected between months of January and April for each period

The total engineering estimate for this project is 5,076,950 net of all taxes and charges.

CALL SUMMARY

Call Issued: March 26, 2020

Call Closed: April 16, 2020

Number of Addenda Issued: Three (3)

Number of Bids: Five (5)

Table 2: Summary of Bids Received for Request for Quotation No. 6037-20-7033 including bid price:

Bidder Name	Bid Price (including H.S.T.)*
Flow-Kleen Technology Ltd.	\$5,275,176.18
GFL Environmental Inc.	\$5,643,850.65
Four One Six Vactors	\$5,716,274.50
614128 Ontario Ltd.	\$7,723,064.10

Bidder Name	Bid Price (including H.S.T.)*
Rafat General Contractors Inc.	\$11,618,773.00

*Pursuant to the Request for Quotation document the contract award value includes contingency

DIVISION CONTACTS

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COMMENTS

For the recommended contract award, the following requirements have been met:

- a. As part of the City's COVID-19 response, the City of Toronto has cancelled all regularly scheduled Standing Committee and Council meetings. Pursuant to the Municipal Code, Chapter 195, Purchasing, Sections 195-8.3(1), the Bid Award Panel has authority to exercise the power of a Standing Committee to make an award that exceeds \$20,000,000 (excluding applicable taxes) when a regularly scheduled meeting of the Standing Committee to which the bid, as the case may be, would be normally reported for award is cancelled for whatever reason and there is no meeting of Council scheduled either prior to or within the week following the cancelled Standing Committee meeting to which the bid could be reported;
- b. The firm recommended for award is the lowest bidder meeting specifications and meeting the requirements of the call;
- c. the appropriate Division has reviewed submissions and found the price to be reasonable, within available budget and concurs with the recommendation;
- d. 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;
- e. there are no material written objections to the award;
- f. the call document was advertised on the City's internet website and bids or proposals were opened publicly; and

g. 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