



BID AWARD PANEL CONTRACT AWARD

Award of Request for Tender No. 213-2019 to Clearway Construction Inc. for Highland Creek Treatment Plant New Beechgrove Influent Chamber

Date: June 1, 2020
To: Bid Award Panel
From: Chief Purchasing Officer
Wards: 25

RECOMMENDATIONS

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

Call Number:

Request for Tender No. 213-2019; Contract No. 19ECS-MI-01HC

Description:

Highland Creek Treatment Plant New Beechgrove Influent Chamber

Recommended Bidder:

Clearway Construction Inc.

Contract Award Value:

\$14,494,400 net of all applicable taxes and charges

\$16,378,672 including HST and all applicable charges

\$14,749,501 net of HST recoveries

Contract is expected to start on date of award and end on September 30, 2021.

FINANCIAL IMPACT

The total contract award identified in this report is \$16,378,672 including all applicable taxes and charges. The cost to the City is \$14,749,501 net of HST recoveries.

The engineering estimate for this project is \$6,642,705 including all applicable taxes and charges.

Funding is available in the 2020 Approved Capital Budget and 2021-2029 Approved Capital Plan for Toronto Water.

Table 1: Financial Impact Summary of Recommended Contract

WBS Element	Year	Total (net HST recoveries)
CWW045-02 (Odour Control Upgrades - Phase 1)	Date of award to December 31, 2020	2,500,000
	January 1, 2021 to September 30, 2021	12,249,501
Total		14,749,501

CALL SUMMARY

Call Issued: July 30, 2019

Call Closed: October 17, 2019

Number of Addenda Issued: 7

Number of Bids: 6

Table 2: Summary of Bids Received for RFT No. 213-2019 (including HST)

Varcon Construction Corporation	\$11,856,897.90**
Clearway Construction Inc.	\$14,363,882.00*
Kenaidan Contracting Ltd.	\$14,984,245.32
McNally Construction Inc.	\$15,232,400.00
Bennett Mechanical Installations (2001) Ltd.	\$15,262,910.00
Drainstar Contracting Ltd.	\$22,294,900.00*

* Tender prices were corrected for mathematical errors. Purchasing and Materials Management has verified that the mathematical errors were corrected.

** Bidder was found non-compliant with mandatory requirements.

*** Pursuant to the RFT document the contract award value includes contingency.

DIVISION CONTACTS

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Katrina Blom, Manager, Waste Water Treatment Plants, Engineering & Construction Services, 416-397-5368, katrina.blom@toronto.ca

COMMENTS

Engineering and Construction Services (ECS) recognize that the bids received are significantly higher than the Consultant's original cost estimate, however, the work was competitively bid.

ECS has reviewed the option of modifying the tender package, however, there is no scope that can be removed that would result in significantly lower bids.

It is not advisable to delay award of the contract any further due to increased wear on plant equipment from temporary operating conditions as the plant awaits completion of the New Beechgrove Influent Chamber. Toronto Water is requesting to proceed with the work as soon as possible.

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

- a. The firm recommended for award is the lowest bidder meeting specifications;
 - 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. 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