REPORT FOR ACTION
CONTRACT AWARD

Contract Award - Modifications to Operations: Municipal Car Parks 26 (33 Queen Street East), 36 (110 Queen Street West), and 125 (323 Richmond Street East) Construction Tender Number 5000-245 - Supplementary Report

Date: July 22, 2020
To: Board of Directors, Toronto Parking Authority
From: Acting President, Toronto Parking Authority
Wards: Ward 10, Spadina-Fort York and Ward 13, Toronto Centre

SUMMARY

The purpose of this supplementary report is to provide the Board of Directors, Toronto Parking Authority (TPA), with new information that impacts the recommendation included in Item PA16.7, which concerns the recommendation to award a construction contract for the modifications to operations for Municipal Car Parks 26 (33 Queen Street East), 36 (110 Queen Street West), and 125 (323 Richmond Street East) to Platinum Construction Corporation, which had submitted the lowest compliant bid meeting all specifications in conformance with the construction tender requirements, in the amount of $989,000 plus $98,000 as a contingency allowance, being the sum total amount of $1,087,000.

On July 20, 2020, Platinum Construction Corporation informed TPA that it is formally declining the opportunity to carry out the modifications to operations for Municipal Car Parks 26, 36, and 125 because of other prior commitments and a lack of resources to carry out the work. The tender offer validity period of 60 days expired on July 8, 2020 and, therefore, there is no legal obligation for Platinum Construction Corporation to honour the bid submission made.

The second low bidder, Canada Construction Limited, was contacted on July 21, 2020 and has confirmed in writing that it is able to undertake the work for the tender price included in the bid submission. TPA is therefore recommending that the contract be awarded to Canada Construction Limited, having now submitted the lowest compliant bid meeting all specifications in conformance with the construction tender requirements, in the amount of $1,169,110 plus $117,000 as a contingency allowance, being the sum

total amount of $1,286,110 net of all taxes and charges.

RECOMMENDATIONS

The Acting President, Toronto Parking Authority recommends that:

1. The Board of Directors of Toronto Parking Authority grant authority to award the construction contract for the modifications to operations for Municipal Car Parks 26 (33 Queen Street East), 36 (110 Queen Street West), and 125 (323 Richmond Street East) to Canada Construction Limited, having submitted the lowest compliant bid and meeting all specifications in conformance with the construction tender requirements, in the amount of $1,169,110 plus $117,000 as a contingency allowance, being the sum total amount of $1,286,110 net of all taxes and charges.

FINANCIAL IMPACT

The amount to award the construction contract for the modifications to operations for Car Parks 26, 36, and 125, is $1,169,110 plus $117,000 as a contingency allowance, being the sum total amount of $1,286,110 net of all taxes and charges.

Funding for this work is included in the Approved Toronto Parking Authority (TPA) 2020 Capital Budget in the total amount of $1,454,121, allocated under Captor Numbers CPK327-03 ($234,707), CPK372-12 ($734,707), and CPK372-14 ($484,707), respectively.

CALL SUMMARY

A tender package, including all technical requirements, material, and labour for the Modifications to Operations for Car Parks 26 (33 Queen Street East), 36 (110 Queen Street West), and 125 (323 Richmond Street East), was prepared by Our Cool Blue Architects.

Our Cool Blue Architects tendered the work on behalf of TPA to eleven (11) pre-qualified general contractors on March 20, 2020. The call closed on May 8, 2020 and four (4) formal bids were received. Since tender closing, the low bidding contractor, Platinum Construction Corporation, has formally declined their tender. The revised ranking of tenders is listed in ascending order in Table 1.

Table 1 - Summary of Bids Received (Net of Applicable Taxes)

General Contractors	Initial Ranking	Current Status	Revised Ranking	Amount	Percentage
Platinum Construction Corporation	1	Formally Declined		$989,000	
Canada Construction	2		1	$1,169,110	100
Citycore Construction	3		2	$1,598,447.12	137
Brook Restoration	4		3	$2,691,128	230

COMMENTS

Operational and state of good repair improvements are planned at three (3) of TPA's car parks. Based on the updated value of the lowest bid, the investments at the car parks will be paid back as follows:

- Car Park 26 - An investment of approximately $238,000 of this contract has an anticipated payback period of 3.7 years.

- Car Park 36 - The investment at this car park amounts to approximately $583,400 and would have an anticipated payback of 2.8 years.

- Car Park 125 - the investment of approximately $347,632 at Car Park 125 will be recovered over a significantly longer period of time but is warranted due to the prominent location and level of parking activity and revenues generated.

The modifications to operations are still recommended as they will address several objectives, including:

- improving traffic flow and reducing customer exit time by providing bail-out lanes and dedicated exit lanes,
- removing in lane cashier booths and installing pay on foot equipment,
- creating customer service offices,
- addressing employee area health and safety issues, and
- relocating payment equipment to promote physical distancing.

Bid Analysis

The original tender documents were issued to eleven (11) pre-qualified general contractors. Attachment 1 to Item PA16.7 is Our Cool Blue Architect's Bid Review and Recommendation to award to Platinum Construction Corporation including a Bid Comparison Sheet providing details of the four (4) Tenders received. The low bidding tenderer, Platinum Construction Corporation, formally declined the project after the tender validity period expired on July 8, 2020.

Canada Construction Limited, now representing the low bid for the project, has confirmed that it is able to carry out the project for the tender price included in their bid

submission.

The tenders were reviewed by both TPA and Our Cool Blue Architects, which tendered the project on TPA's behalf. The tender submitted by Canada Construction Limited had an addition error of $51,000 between the breakdown total and submitted tender amount that resulted in a higher overall tender value. The corrected tender amounts to $1,169,110, which is now reflected in Table 1 above.

The recommendation for award is based on the corrected amount which now reflects the lowest compliant bid meeting all tender requirements. All other bid submissions have been reviewed and the accuracy of the bid amounts has been confirmed.

The following items summarize the key points to support TPA's final award recommendation:

- All bidders visited the site and confirmed their understanding of the scope of work and prevailing conditions.
- Canada Construction Limited submitted the lowest acceptable Balanced Bid of $1,169,110 excluding HST. An addition error of $51,000 between the breakdown total and submitted tender amount that has resulted in an increase to the overall tender amount. All calculations were corrected and the bid complies with the tender and bonding requirements.
- The recommended bid is still within the allocated 2020 Capital Budget of $1,454,121.

TPA recommends awarding the construction contract to Canada Construction Limited based on conformance to the tender requirements, the bid price, and confirmation that Canada Construction Limited has the resources to complete the work at the tender price submitted despite the tender validity period expiring on July 8, 2020.

CONTACT

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SIGNATURE

Robin Oliphant, Acting President
Toronto Parking Authority