



BID AWARD PANEL CONTRACT AWARD

Award of Ariba Doc. No. 2943718377 to Ontario Sewer Services Inc. for the repairs of sewers, catch basins, water mains and valves for various locations for Parks, Forestry & Recreation Division

Date: June 30, 2021
To: Bid Award Panel
From: Chief Procurement Officer
Wards: All

RECOMMENDATIONS

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

Solicitation Number:

Request for Quotation (RFQ), Ariba Doc No. 2943718377

Description:

For non-exclusive supply of labour, supervision, materials, tools and equipment for the repairs of sewers, catch basins, water mains and valves for various locations within the City of Toronto's Parks, Forestry & Recreation Division, for a period of one (1) year from the date of award, with the option to renew the contracts for three (3) additional separate one (1) year periods.

Should the option(s) be exercised, then the General Manager, Parks, Forestry and Recreation Division will request the Chief Procurement Officer to process the renewals under the same terms and conditions.

Recommended Supplier:

Ontario Sewer Services Inc.

Contract Award Value:

\$ 760,782 net of all applicable taxes and charges (including 20% contingency)
\$ 859,684 including HST and all applicable charges
\$ 774,172 net of HST recoveries

Contract is expected to start on July 8, 2021 and end on July 7, 2022

Option Year 1 from July 8, 2022 to July 7, 2023
\$783,606 net of all applicable taxes and charges (including 20% contingency)

\$885,474 including all applicable taxes and charges
\$797,397 net of HST recoveries

Option Year 2 from July 8, 2023 to July 7, 2024
\$807,114 net of all applicable taxes and charges (including 20% contingency)
\$912,039 including all applicable taxes and charges
\$821,319 net of HST recoveries

Option Year 3 from July 8, 2024 to July 7, 2025
\$831,327 net of all applicable taxes and charges (including 20% contingency)
\$939,400 including all applicable taxes and charges
\$845,959 net of HST recoveries

The total potential contract award identified in this report including all optional years is \$3,182,826 net of all taxes, and \$3,596,597 including all applicable taxes and charges. **The total potential cost to the City, including all option years, is \$3,238,847 net of HST recoveries.**

The above cost calculations reflect an estimated 3% Consumer Price Index (CPI) adjustment applied annually to the yearly cost after the initial year.

FINANCIAL IMPACT

The total potential contract award identified in this report is \$3,596,597 including all applicable taxes and charges. The total potential cost to the City is \$3,238,847 net of HST recoveries.

Funding is available in the 2021 Approved Operating Budget for Parks, Forestry & Recreation. Additional funding will be included in the 2022 Operating Budget Submission for Parks, Forestry & Recreation. Should the City choose to exercise its option to renew for an additional three (3) separate one (1) year periods, then appropriate additional funding, if needed, will be included in the 2022 – 2025 annual Operating Budget Submissions for Parks, Forestry & Recreation. Funding details follow in Table 1.

The services and materials being requested on this contract are required on an emergency or as needed basis as a result of the City's aging infrastructure, 311 calls, emergency flooding and minor capital work and repairs.

Table 1: Financial Impact Summary, net of HST Recoveries

Cost Centre/ Cost Element	Initial Term	Initial Term	Option Year One	Option Year Two	Option Year Three
	July 8, 2021 to December 31, 2021	January 1, 2022 July 7, 2022	July 8, 2022 to July 7, 2023	July 8, 2023 to July 7, 2024	July 8, 2024 to July 7, 2025

P12081, P00427, P00853, P12783, P08627, P03651 C/E 4424	\$387,086	\$387,086	\$797,397	\$821,319	\$845,959
Total Contract Term (net of HST Recoveries)					\$3,238,847

The Chief Financial Officer and Treasurer has reviewed this report and agrees with the financial impact information.

SOLICITATION SUMMARY

Solicitation Issued: April 19, 2021
Number of Addenda Issued: One (1)
Number of Bids: Two (2)

Solicitation Closed: May 17, 2021

Table 2: Summary of Bid Received for RFQ, Ariba Doc. No. 2943718377 including bid price:

Supplier Name	Evaluated Bid Price (including H.S.T.)
Ontario Sewer Services Inc.	\$716,403.33
614128 Ontario Ltd.	\$1,082,924.20

*Evaluated Bid Price does not contain the 20% contingency shown in Contract Award Value

DIVISION CONTACTS

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COMMENTS

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

a. The firm recommended for award is the lowest Supplier meeting specifications or to the highest scoring Supplier based on the evaluation criteria included in the Solicitation and meeting the requirements of the solicitation;

- 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 Solicitation 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 Solicitations are on the file in the Purchasing and Materials Management Division.

SIGNATURE

Michael Pacholok
Chief Procurement Officer