



BID AWARD PANEL CONTRACT AWARD

Award of Ariba Document Number 2910028081 to Bond Paving and Construction Inc. for Asphalt Paving services for Toronto Water Division

Date: October 7, 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 Tender (RFT), Ariba Document Number 2910028081

Description:

For the non-exclusive supply, delivery, installation, warranty of all labour, equipment and materials necessary for Asphalt Paving services at various locations for the City of Toronto's, Toronto Water Division from date of award to September 30, 2022, with the option to renew for four (4) additional separate one (1) year period.

Should the option(s) be exercised, then the General Manager of Toronto Water will request the Chief Procurement Officer to process the renewals under the same terms and conditions.

Recommended Supplier:

Bond Paving and Construction Inc.

Contract Award Value:

\$392,040 net of all applicable taxes and charges
\$443,005 including HST and all applicable charges
\$398,940 net of HST recoveries

Contract is expected to start from date of award and end on September 30, 2022.

Option Year 1 - October 1, 2022 to September 30, 2023

\$ 403,801 net of all applicable taxes and charges
\$ 456,295 including HST and all applicable charges
\$ 410,908 net of HST recoveries

Option Year 2 - October 1, 2023 to September 30, 2024
\$ 415,915 net of all applicable taxes and charges
\$ 469,984 including HST and all applicable charges
\$ 423,235 net of HST recoveries

Option Year 3 - October 1, 2024 to September 30, 2025
\$ 428,393 net of all applicable taxes and charges
\$ 484,084 including HST and all applicable charges
\$ 435,932 net of HST recoveries

Option Year 4 - October 1, 2025 to September 30, 2026
\$ 441,244 net of all applicable taxes and charges
\$ 498,606 including HST and all applicable charges
\$ 449,010 net of HST recoveries

The total potential contract award including the optional period is \$2,081,394 net of all taxes and charges and \$2,351,975 including all applicable taxes and charges.

The total potential cost to the City including the optional period is \$2,118,026 net of HST Recoveries.

The above cost calculations for the Option Year Periods reflects an estimated annual 3% increase as per the Consumer Price Index.

FINANCIAL IMPACT

The total contract award identified in this report is \$2,081,394 net of all applicable taxes and charges, \$2,351,975 including all applicable taxes and charges. The cost to the City is \$2,118,026 net of HST recoveries.

The engineering estimate for this project is \$2,048,000 net of all taxes and charges.

Funding is available in the 2021-2030 Approved Capital Budget and Plan and the 2021 Approved Operating Budget for Toronto Water. Additional funding for operating requirements is included in the 2022 Operating Budget Submission for Toronto Water.

Should the City of Toronto choose to exercise its option(s) to renew for an additional four (4) separate one (1) year periods, then appropriate additional funding will be included in the 2022-2026 Operating and Capital Budget Submissions for Toronto Water. Additional details follow in Table 1.

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

	Contract Period Base year		Option Year 1	Option Year 2	Option Year 3	Option Year 4	TOTAL
Toronto Water	Sept 30,2021 to Dec 31,2021	Jan 1, 2022 to Sept 30,2022	Oct 1, 2022 to Sept 30, 2023	Oct 1, 2023 to Sept 30, 2024	Oct 1, 2024 to Sept 30, 2025	Oct 1, 2025 to Sept 30, 2026	
Cost Element TW2055 TW4022 TW4100 TW2060 TW2040 TW2030 G/L Account 4424	\$59,841	\$179,523	\$246,550	\$253,941	\$261,560	\$269,406	\$1,270,821
WBS Element CWW466-11-03 (Watercourse -Construction) CWW466-09 (Emergency Erosion Control)	\$19,000 \$20,895	\$59,000 \$60,682	\$80,000 \$84,358	\$80,000 \$89,294	\$80,000 \$94,372	\$80,000 \$99,605	\$398,000 \$449,206
TOTAL	\$99,735	\$299,205	\$410,908	\$423,235	\$435,932	\$449,011	\$2,118,026

The Chief Financial Officer and Treasurer has reviewed this report and agrees with the information in the Financial Impact Section.

SOLICITATION SUMMARY

Solicitation Issued: April 1, 2021
Number of Addenda Issued: One (1)
Number of Bids: Seven (7)

Solicitation Closed: May 5, 2021

Supplier Name	Bid Price (excluding H.S.T.)*
Bond Paving & Construction Inc	\$326,700
Bevcon Construction & Paving Ltd.	\$377,450
Aqua Tech Solutions Inc.	\$547,460
PAVE-TAR CONSTRUCTION LTD.	\$612,500
Maple Crete Inc.	\$667,400
PTR Paving	\$780,023
**GoldenKnight	Non-Compliant

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

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

DIVISION CONTACTS

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Lawson Oates, Director, Environment & Administration, Toronto Water, (416) 392-8223,
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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. the Solicitation document was advertised on the City's internet website and bids or proposals were opened publicly; and

e. 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