



BID AWARD PANEL CONTRACT AWARD

Award of Ariba Document Number 3027419719 to Lotowater Technical Services Inc. for the Non- exclusive supply of Purge Well Rehabilitation Services for Solid Waste Management Services 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 Quotation (RFQ) Ariba Document Number 3027419719

Description:

Non-exclusive supply of all labour, equipment and material necessary for Purge Well Rehabilitation Services for the City of Toronto, Solid Waste Management Services Division, for a period of two (2) years from date of award, with an option in favour of the City to extend the agreement on the same terms and conditions for one (1) additional two (2) year period.

The RFQ is structured to award one (1) contract to one (1) Supplier based on the Supplier having the lowest bid meeting specifications in Part 5 – Price Form.

Should the option be exercised, then the General Manager Solid Waste Management will request the Chief Procurement Officer to process the renewals under the same terms and conditions.

Recommended Bidder or Proponent:

Lotowater Technical Services Inc.

Contract Award Value (for a two (2) year period):

\$638,043 net of all applicable taxes and charges (including 15% contingency)
\$720,989 including HST and all applicable charges

\$649,273 net of HST recoveries

The contract is expected to start on the date of award and end by October 14, 2023.

Option Year 1 from October 15, 2023 to October 14, 2025 (for a two (2) year period)

\$580,037 net of all applicable taxes and charges

\$655,442 including HST and all applicable charges

\$590,246 net of HST recoveries

The total potential contract award identified in this report, including all optional years, is \$1,218,080 net of all taxes and charges and \$1,376,430 including all applicable taxes and charges. **The total potential cost to the City, including all optional years, is \$1,239,518 net of HST recoveries.**

The contract value cost calculations include a 15% contingency value for the initial two (2) year period. The option period calculations include a 3% CPI increase for year one (1) and two (2), in accordance with the RFQ.

FINANCIAL IMPACT

The total potential contract award identified in this report is \$1,218,080 net of all applicable taxes and charges, \$1,376,430 including all applicable taxes and charges. The potential cost to the City is \$1,239,518 net of HST recoveries.

Funding is available in the 2021-2030 Approved Capital Budget and Plan for Solid Waste Management Services. Should the City choose to exercise its option to renew for one (1) additional two (2) year period, then appropriate additional funding, if needed, will be included in the 2023 – 2025 annual Capital Budget Submissions of Solid Waste Management Services. Funding details are provided in Table 1 to follow.

Table 1: Financial Impact Summary, net of HST Recoveries

WBS Element	Initial Year Two (2) Year Period			Option Year 1 Two (2) year period	Total Contract Term (net of HST Recoveries)
	October 14, 2021 to Dec 31, 2021	Jan 1, 2022 to Dec 31, 2022	Jan 1, 2023 to October 14, 2023	October 15, 2023 to October 14, 2025	
CSW930-02 C/E 4424	\$81,159	\$324,636	\$243,477	\$590,246	\$1,239,518

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

SOLICITATION SUMMARY

Solicitation Date: August 6, 2021

Solicitation Closed: September 7, 2021

Number of Addenda Issued: zero (0)

Number of Bids: one (1)

Table 2: Summary of Bids Received for RFQ Ariba Document Number 3027419719 including total bid price

Supplier Name	Bid Price (excluding H.S.T.)
Lotowater Technical Services Inc.	\$554,820.00*

*Contract Award Values on page 1 include 15% contingency.

DIVISION CONTACTS

Sabrina Dipietro, Manager, Corporate Services & Finance and Treasury, Purchasing & Materials Management, Tel:416-392-7316, Email: Sabrina.Dipietro@toronto.ca

Lynda Mulcahy, Manager, Closed Landfill Operations, Solid Waste Management Services Tel:905-303-4017, Email: Lynda.Mulcachy@toronto.ca

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 (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 calls are on the file in the Purchasing and Materials Management Division.

SIGNATURE

Michael Pacholok
Chief Procurement Officer