



BID AWARD PANEL CONTRACT AWARD

Award of Ariba Document Number 2913757912 to Priestley Demolition Inc. and Tri-Phase Group Inc. for Structural Engineering and Demolition Services for Toronto Fire Services

Date: October 21, 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, Ariba Document Number 2913757912

Description:

For Structural Engineering and Demolition service, contractors to provide 24/7 services for the Toronto Fire Services Division and Toronto Heavy Urban Search and Rescue Team, on an as and when required basis for the period of one (1) year from January 1, 2022 to December 31, 2022, with the option to renew the contracts for four (4) additional separate one (1) year periods.

The RFQ is structured to award contracts to the two lowest suppliers meeting specification, and providing the lowest total bid price per Part 5 – Price Form.

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

Recommended Supplier:

Priestly Demolition Inc.

Contract Award Value:

\$364,524 net of all applicable taxes and charges
\$411,912 including HST and all applicable charges
\$370,940 net of HST recoveries

The contract is expected to start on date of award, and end on December 31, 2022.

Option Year 1 from January 1, 2023, to December 31, 2023
\$375,460 net of all applicable taxes and charges
\$424,269 including all applicable taxes and charges
\$382,068 net of HST recoveries

Option Year 2 from January 1, 2024, to December 31, 2024
\$386,724 net of all applicable taxes and charges
\$436,998 including all applicable taxes and charges
\$393,530 net of HST recoveries

Option 3 Three from January 1, 2025 to December 31, 2025
\$398,325 net of all applicable taxes and charges
\$450,107 including all applicable taxes and charges
\$405,336 net of HST recoveries

Option Year 4 from January 1, 2026 to December 31, 2026
\$410,275 net of all applicable taxes and charges
\$463,611 including all applicable taxes and charges
\$417,496 net of HST recoveries

The total potential contract award including all option years is \$1,969,370 net of HST recoveries, \$2,186,897 including all applicable taxes and charges, and \$1,935,307, net of all applicable taxes and charges.

Recommended Supplier:
Tri-Phase Group Inc.

Contract Award Value:
\$444,360 net of all applicable taxes and charges
\$502,127 including HST and all applicable charges
\$452,181 net of HST recoveries

The contract is expected to start on January 1, 2022, and end on December 31, 2022.

Option Year 1 from January 1, 2023, to December 31, 2023
\$457,691 net of all applicable taxes and charges
\$517,191 including all applicable taxes and charges
\$465,746 net of HST recoveries

Option Year 2 from January 1, 2024, to December 31, 2024
\$471,422 net of all applicable taxes and charges
\$532,706 including all applicable taxes and charges
\$479,719 net of HST recoveries

Option Year 3 from January 1, 2025 to December 31, 2025

\$485,564 net of all applicable taxes and charges
\$548,688 including all applicable taxes and charges
\$494,110 net of HST recoveries

Option Year 4 from January 1, 2026 to December 31, 2026
\$500,131 net of all applicable taxes and charges
\$565,148 including all applicable taxes and charges
\$508,933 net of HST recoveries

The total potential contract award including all option years is \$2,400,689 net of HST recoveries, \$2,665,859 including all applicable taxes and charges, and \$2,359,168 net of all applicable taxes and charges.

The total potential contract award identified in this report for both contract awards, including all options years is \$4,294,475 net of all taxes and \$4,852,757 including all applicable taxes and charges. **The total potential cost to the City for both contract awards, including all option years is \$4,370,058 net of HST recoveries.**

The above cost calculations reflect a 3% CPI adjustment applied annually to the yearly cost after the initial one (1) year period.

FINANCIAL IMPACT

The total potential contract award identified in this report is \$4,852,757 including all applicable taxes and charges. The total potential cost to the City is \$4,370,058 net of HST recoveries.

The Toronto Fire Chief has the legislative authority to secure contractor services in the event of an emergency incident under the *Fire Protection and Prevention Act*. In the past, in an emergency event, contractor(s) were engaged as required through sole sourcing mechanism, and the costs associated with the emergency were charged to FR0079-4424. If an emergency event occurs, the costs are recovered from the Province or from the owner of the demolished property. The recovery of the cost of the emergency event is then allocated back to FR0079-4424. In the event the City is not successful in recovering the costs from the property owner, a lien would be placed on the property. Should costs not be recovered, the impact to the City remains in FR0079 4424.

Following the provision of satisfactory levels of services by the contractor(s), as assessed by the Toronto Fire Chief/General Manager or designate, while operating within the City's mandate on health and safety for its citizens, the City may choose to exercise its option(s) to renew for four (4) additional separate one-year (1) periods. ow:

Funding in the amount of \$823,121 net of HST recoveries is included in the 2022 Operating Budget Submission for Toronto Fire Services. Should the City choose to exercise its option to renew for the additional four (4) separate one (1) year periods, then appropriate additional funding, if needed, will be included in the 2023 – 2026 annual

Operating Budget Submissions for Fire Services Division. Funding details are provided in Consolidated Table 1 below.

Table 1: Financial Impact Summary of recommended Contracts

Cost Centre / Cost Element	Initial Year	Option Year 1	Option Year 2	Option Year 3	Option Year 4
	January 1, 2022 to December 31, 2022	January 1, 2023 to December 31, 2023	January 1, 2024 to December 31, 2024	January 1, 2025 to December 31, 2025	January 1, 2026 to December 31, 2026
FR0079 C/E 4424	\$823,121	\$847,814	\$873,249	\$899,446	\$926,429
Total (Net of HST Recoveries)					\$4,370,058

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

SOLICITATION SUMMARY

Solicitation Issued: July 29, 2021
Number of Addenda Issued: None
Number of Bids: Four (4)

Solicitation Closed: August 19, 2021

Table 2: Summary of Bids Received including bid price for Ariba Document Number 2913757912;

Supplier Name	Bid Price (excluding H.S.T)
Priestly Demolition Inc.	\$303,770.00*
Tri-Phase Group Inc.	\$370,300.00
Delsan-AIM Environmental Services Inc.	\$391,341.00
York Demolition Corp.	\$447,960.00

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

DIVISION CONTACTS

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COMMENTS

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

a. The firm recommended for the 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 the 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