

**Amendment to the Non-Competitive Blanket Contract # 47022986 with Accuworx Inc. for the provision of a hydraulic vacuum & pumping truck contractor with driver/operators**

**Date:** April 9, 2021

**To:** Infrastructure and Environment Committee

**From:** General Manager, Toronto Water, and Chief Procurement Officer, Purchasing and Materials Management Division

**Wards:** All

**SUMMARY**

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The purpose of this report is to request authority to amend a non-competitive blanket contract 47022986 with Accuworx Inc. (Accuworx), in the amount of \$400,000.00 net of HST (\$407,040.00 net of HST recoveries).

This contract amendment will ensure the continuity of essential hydraulic vacuum and pumping truck services required for Toronto Water's Wastewater collection and treatment systems and various other Toronto Water facilities. The services are required for the cleaning and disposal of waste by-products. These services are critical for response to spills and maintaining compliance with the Ministry of the Environment, Conservation and Parks (MECP).

The non-competitive bridge contract will continue to honour the same pricing, terms and conditions as the previous contract # 47019412 awarded to Accuworx through a competitive solicitation Request for Quotation (RFQ) 6038-15-7093, which expired May 31, 2020.

Infrastructure and Environment Committee approval is required in accordance with Municipal Code Chapter 195, Purchasing, where the current request exceeds the Chief Purchasing Officer's authority of the cumulative five-year commitment limit for each vendor under Article 7, Section 195-7.3(D) of the Purchasing By-law or exceeds the threshold of \$500,000 net of Harmonized Sales Tax allowed under staff authority as per the Toronto Municipal Code, Chapter 71, Financial Control, Section 71-11.1.

**RECOMMENDATIONS**

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The General Manager, Toronto Water and the Chief Procurement Officer, Purchasing and Materials Management Division recommend that:

1. The Infrastructure and Environment Committee, in accordance with Section 71-11.1c of the City of Toronto Municipal Code Chapter 71 (Financial Control By-Law), grant authority to the General Manager, Toronto Water to amend non-competitive blanket contract number 47022986 with Accuworx Inc. for the non-exclusive services of a hydraulic vacuum and pumping truck contractor with driver/operators to clean the inside of incinerator induced draft fans, vacuum clean the hearths of ash and vacuum clean various tanks such as digester tanks, holding tanks and perform maintenance and emergency sewage removal works for Toronto Water, in the amount of \$400,000 net of harmonized sales tax (\$407,040 net of harmonized sales tax recoveries), increasing the current blanket contract value from \$995,900 to \$1,395,900, net of harmonized sales tax (\$1,420,468 net of harmonized sales tax recoveries).

## **FINANCIAL IMPACT**

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The total value identified in this report, is \$400,000 net of HST. The cost to the City is \$407,040, net of HST recoveries.

Funding for this extension has been included in the 2021 Approved Operating Budget for Toronto Water.

**Table 1: Financial Impact Summary**

| <b>Term</b>                     | <b>Cost Centre / WBS Element</b> | <b>Cost Element / GL Account</b> | <b>Net of HST</b> | <b>Net of HST Recoveries</b> |
|---------------------------------|----------------------------------|----------------------------------|-------------------|------------------------------|
| <b>March 1 to July 31, 2021</b> | TW2060<br>TW4075                 | 4424                             | \$400,000.00      | \$407,040.00                 |

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

## **DECISION HISTORY**

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At its meeting on August 19, 2015, the Bid Committee granted authority to award RFQ Number 6038-15-7093 to Accuworx Inc. for the non-exclusive hydraulic vacuum and pumping truck contractor with driver/operators to clean the inside of incinerator induced draft fans, vacuum clean the hearths of ash and vacuum clean various tanks such as digester tanks, holding tanks and perform maintenance and emergency sewage removal works for Toronto Water all in accordance with the contract details set out in the report BD42.7 (August 19, 2015) from the Chief Procurement Officer, Purchasing and Materials Management: [August 19, 2015 Bid Committee Item: BD42.7](#)

## COMMENTS

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In August 2015, the Bid Committee granted authority to award RFQ No. 6038-15-7093 to Accuworx for the non-exclusive hydraulic vacuum and pumping truck contractor with driver/operators to clean the inside of incinerator induced draft fans, vacuum clean the hearths of ash, and various tanks including digester tanks, and holding tanks, and perform maintenance and emergency sewage removal works for Toronto Water from the date of award May 31, 2016, with the option to renew the contract for an additional four (4) separate one (1) year periods at the sole discretion of the City and subject to budget approvals. Toronto Water has exercised all option years including the final option year for renewal (June 1, 2019 to May 31, 2020) for a total contract value of \$5,946,450.16, net of HST.

Prior to this contract expiring, a new RFQ was already being drafted. However, several factors affected the completion of the new RFQ including:

- essential need to revise the specifications to add/edit clauses based on experience of blanket contract # 47019412;
  - the specifications and quantities in the original contract combined with the adjustments required are from a detailed review of Toronto Water future needs;
- Labour disruption planning followed by Covid-19 pandemic impacts made it difficult to conduct assessment reviews;
- Development of new emergency procurement requirements as a result Covid-19 impacted staff resources for the new RFQ.

On June 1, 2020, a non-competitive blanket contract (# 47022986) was put in place with Accuworx to bridge requirements at a value of \$495,900, net of HST for a four (4) months period, with a contract end date of September 30, 2020. This bridge contract was required to ensure continuity of services while the new competitive solicitation was in progress. An amendment was subsequently required and processed, and the blanket contract validity date was extended for an additional five (5) month period from October 1, 2020 to February 28, 2021, with an increase in value of \$500,000, net of HST added to the contract. This amendment was required to accommodate changes to the new solicitation as a result of additional Toronto Water locations participating in the new RFQ thereby increasing the complexity of the specifications. Subsequently, an amendment to this blanket contract has been processed to extend the expiry date to July 31, 2021, on the same pricing, terms and conditions as the previous blanket contract (# 47019412), awarded through RFQ # 6038-15-7093.

The new solicitation was issued to the marketplace in Ariba on March 12, 2021. The anticipated award date is July 2021.

This report for the blanket contract amendment and increase to the target value will allow Toronto Water to utilize the service and maintain operations while meeting regulatory requirements in dealing with certain waste and grit removal from various plants and lift stations until the new contract is awarded.

The Fair Wage Office has reported that Accuworx Inc. has reviewed and understands the Fair Wage Policy and Labour Trades requirements. They have also agreed to fully comply.

## **CONTACT**

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## **SIGNATURE**

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Lou Di Gironimo  
General Manager  
Toronto Water

Michael Pacholok  
Chief Procurement Officer  
Purchasing and Materials Management Division