

## **Amendments to Blanket Contract #47022307 with J.C. Rock Ltd. and Blanket Contract #47022306 with CDR Young Inc. for the Supply and Delivery of Quarried Crushed Stone Aggregates, Sand and Gravel**

**Date:** August 30, 2021

**To:** Infrastructure and Environment Committee

**From:** General Manager, Toronto Water, and Chief Procurement Officer

**Wards:** All

### **SUMMARY**

---

The purpose of this report is to request authority to increase the amendment value for all option years of Contract No. 47022307 issued to J.C. Rock Ltd. in the amount of \$2,846,183 net of HST (\$2,896,276 net of HST Recoveries).

An additional purpose of this report is to request authority to increase the value of Contract No. 47022306 issued to CDR Young Inc. in the amount of \$453,817 net of HST (\$461,804 net of HST Recoveries).

This amendment to Contract No. 47022307 is required to allow Toronto Water to continue and complete the Divisional Operations Services (DOS) Erosion Control and current emergency work projects to protect underground storm, sanitary sewer lines and outfalls and for the health and safety of the public. There are also permits and agreements in place with the Toronto Region Conservation Authority, Urban Forestry, Ravine and Tree Protection to complete restoration once Toronto Water has completed the various projects.

### **RECOMMENDATIONS**

---

The General Manager, Toronto Water and the Chief Procurement Officer, recommend that:

1. The Infrastructure and Environment Committee, in accordance with Section 71-11A of the City of Toronto Municipal Code Chapter 71 Financial Control By-law, grant authority to the General Manager, Toronto Water to amend existing Contract No. 47022307 issued to J.C. Rock Ltd. for the Supply and Delivery of Quarried Crushed

Stone Aggregates, Sand and Gravel to various Toronto Water locations to increase the overall target value including option years by \$2,846,183 (net of HST).

2. The Infrastructure and Environment Committee, in accordance with Section 71-11A of the City of Toronto Municipal Code Chapter 71 Financial Control By-law, grant authority to the General Manager, Toronto Water to amend existing Contract No. 47022306 issued to CDR Young Inc. for the Supply and Delivery of Quarried Crushed Stone Aggregates, Sand and Gravel to various Toronto Water locations to increase the overall target value including option years by \$453,817 (net of HST).

## FINANCIAL IMPACT

Amendment of the Contract No. 47022306 for option year 1 by an additional \$453,817 net of HST (\$461,804 net of HST Recoveries) will increase the contract value from \$1,381,198 net of HST to \$1,835,015 net of HST (\$1,867,311 net of HST Recoveries) \$2,073,567 including all taxes and charges.

Amendment of the Contract No. 47022307 for option year 1 by an additional \$512,788 net of HST (\$521,813 net of HST Recoveries) will increase the contract value from \$1,497,492 net of HST to \$2,010,280 net of HST (\$2,045,661 net of HST Recoveries) \$2,271,616 including all taxes and charges.

The total potential contract award including all optional years is \$3,368,640 net of HST recoveries, \$3,310,377 net of all applicable taxes and charges and \$3,740,726 including all applicable taxes and charges.

Funding for the contract amendment increase is available in the 2021 Approved Operating and Capital Budget and 2022-2030 Approved Operating and Capital Budget for Toronto Water. Additional details follow in Table 1.

**Table 1: Financial Impact Summary (Net of HST Recoveries)**

WBS Element	Option Year Period 1		Option Year Period 2	Option Year Period 3	Total
	July 1, 2021 to December 31, 2021	January 1, 2022 to June 30, 2022	July 1, 2022 to June 30, 2023	July 1, 2023 to June 30, 2024	
TW 2030	\$50,880	\$50,880	\$101,760	\$101,760	
TW 2040	\$50,880	\$50,880	\$101,760	\$101,760	
G/L 2770, 2785					
CWW466-09 Emergency Erosion Control	\$144,224	\$144,224	\$340,896	\$414,080	
CWW466-11 Watercourse – Construction	\$244,224	\$249,312	\$607,040	\$614,080	
Totals	\$490,208	\$495,296	\$1,151,456	\$1,231,680	\$3,368,640

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

## **DECISION HISTORY**

---

At its meeting of August 7, 2019, the Bid Committee granted authority to award RFQ Number 3920-19-0177 to J.C. Rock Ltd. and CDR Young Aggregates Inc. for the Supply and Delivery of Quarried Crushed Stone Aggregates, Sand and Gravel to various locations all in accordance with the contract details set out in the report BA38.5 (August 7, 2019) from the Chief Procurement Officer, Purchasing and Materials Management: <http://app.toronto.ca/tmmis/viewAgendaltemHistory.do?item=2019.BA38.5>

## **COMMENTS**

---

On May 16, 2019 RFQ 3920-19-0177 was issued, and closed on June 10, 2019. Two bids were received, one bid from J.C. Rock Ltd. and the second bid from CDR Young Aggregates Inc. The RFQ was awarded by line item, and as a result J.C. Rock Ltd. was awarded 17 line items and CDR Young Aggregates Inc. was awarded 10 line items. The total line items awarded were 27 different types of aggregates.

At the time of RFQ preparation, Toronto Water provided the potential anticipated usage of all types of aggregates based on historical data. However, due to the increase of construction over 2020 and 2021, the blanket contract amendment is being requested to increase the contract value by \$3,310,377 to bring the contract back into compliance and allow continuation of services for the current ongoing projects and for the unforeseen emergency work encountered requiring additional aggregates to support those emergency cases, and furthermore to ensure the contract remains in compliance for the remaining three option year periods. This contract helps to support the emergency construction and maintenance for watermains, sanitary and storm sewers.

In addition, as of October 31, 2021, CDR Young Aggregates Inc. will no longer be supplying Toronto Water with the needed aggregates. All supplies of those aggregates will now be redirected and purchased from the existing contract held with J.C. Rock Ltd. until such time a new RFQ is issued and awarded to offset the additional volumes of work.

The Fair Wage Office has reported that J.C. Rock Ltd. has reviewed and understands the Fair Wage Policy and Labour Trades requirements and has agreed to fully comply.

## **CONTACT**

---

William Shea, Director, Distribution & Collection, Toronto Water,  
Tel: (416) 395-6219, Email: [William.Shea@toronto.ca](mailto:William.Shea@toronto.ca)

Elena Caruso, Manager, Goods and Services, Purchasing & Materials Management,  
Tel: 416-392-7316, Email: [Elena.Caruso@toronto.ca](mailto:Elena.Caruso@toronto.ca)

## **SIGNATURE**

---

Lou Di Gironimo  
General Manager, Toronto Water

Michael Pacholok  
Chief Procurement Officer, Purchasing and Materials Management Division