

Amendment to Purchase Order Number 6047920, Tender Call Number 257-2018 to OJCR Construction Ltd. for Repairs of Sewer Service Connections, Catch basins and Appurtenances for Various Locations Toronto, East York and Scarborough Districts

Date: October 8, 2021

To: Infrastructure and Environment Committee

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

Wards: 10 (Spadina-Fort York), 11 (University-Rosedale), 13 (Toronto Centre), 14 (Toronto-Danforth), 15 (Don Valley West), 16 (Don Valley East), 19 (Beaches-East York), 20 (Scarborough Southwest), 21 (Scarborough Centre), 22 (Scarborough-Agincourt), 23 (Scarborough North), 24 (Scarborough-Guildwood) and 25 (Scarborough-Rouge Park)

SUMMARY

The purpose of this report is to amend Purchase Order Number 6047920 with OJCR Construction Ltd. for repairs of sewer service connections, catch basins and appurtenances for various locations within the City of Toronto in the amount of \$472,955 net of all taxes and charges (\$481,279 net of HST Recoveries) revising the current contract value from \$7,204,502 net of all taxes and charges (\$7,331,301 net of HST Recoveries) to \$7,677,457 net of all taxes and charges (\$7,812,580 net of HST Recoveries). With the onset of COVID-19, Toronto Water Distribution and Collection responded by restructuring staff work shifts to meet the social distancing guidelines put in place by Toronto Public Health (TPH). This restructuring lead to a prioritizing of emergency work only. Planned critical work was, by necessity, shifted to City contracts.

RECOMMENDATIONS

The General Manager, Toronto Water and the Chief Procurement Officer 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 amend Purchase Order Number 6047920 and amend the agreement with OJCR Construction Ltd., for repairs of sewer service connections, catch basins and

appurtenances for various locations in Toronto, East York and Scarborough Districts by the amount of \$472,955 net of all taxes and charges (\$481,279 net of HST Recoveries) revising the current contract value from \$7,204,502 net of all taxes and charges (\$7,331,301 net of HST Recoveries) to \$7,677,457 net of all taxes and charges (\$7,812,580 net of HST Recoveries).

FINANCIAL IMPACT

Additional funding for this contract was included in the Approved 2020 Capital Budget and 2021-2030 Capital Plan for Toronto Water as summarized in Table 1 below:

Table 1: Additional Cash Flow for Amendment to Purchase Order Number 6047920

Cost Centre / WBS Element Description	Year 2020
CWW465-06-167 (Sewer Rehabilitation)	\$421,119
CPW544-03-123 (Water Service Repair - Lead Program)	\$60,160
Total (net of HST recoveries)	\$481,279

There is no financial impact to the Approved 2021 Capital Budget and the 2022-2030 Capital Plan.

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

DECISION HISTORY

At its meeting on November 06, 2018, the Bid Award Panel granted authority to award Contract Number 18TW-DC-304OCS, Tender Call Number 257-2018, for the repairs of sewer service connections, catch basins and appurtenances for various locations in Toronto, East York and Scarborough Districts to OJCR Construction Ltd., in the amount of \$6,736,048 (net of all applicable taxes and charges and \$ 6,854,602 net of HST recoveries), having submitted the lowest compliant bid and meeting the specifications in conformance with the Tender requirements. A copy of the Committee decision document can be found at:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2018.BA105.2>

COMMENTS

Background

The contract for repairs of sewer service connections, catch basins and appurtenances for various locations in Toronto, East York and Scarborough Districts' is utilized to provide construction services that are beyond the capacity of Toronto Water's Distribution and Collection South-East Construction unit.

Award of Contract

Tender Call Number 257-2018 was issued on September 25, 2018, closed on October 15, 2018 and was adopted at Bid Award Panel on November 6, 2018. The contract was for a period of one (1) year from the date of award with the option to renew the contract for one (1) additional separate one (1) year period. The contract award was as follows:

- Contract Number 18TW-DC-304OCS (Part A), Purchase Order Number 6047920 was awarded to OJCR Construction Ltd in the amount of \$6,736,048 (net of all applicable taxes and charges and \$6,854,602 net of HST recoveries)
- Contract Number 18TW-DC-305OCS (Part B), Purchase Order Number 6047921 was awarded to Finch Paving (1993) Inc. in the amount of \$5,871,065 net of all applicable taxes and charges and \$5,974,395 net of HST recoveries)

Purchase Order Amendments for Purchase Order Number 6047920

- Purchase Order Amendment Number 1 was issued on August 12, 2020, for the amount of \$495,000 (net of all taxes and charges) due to additional work volume, increasing the Purchase Order value from \$6,709,502 to \$7,204,502 (net of all taxes and charges). This Purchase Order Amendment was approved by the Chief Procurement Officer and the General Manager of Toronto Water.
- Purchase Order Amendment Number 2:
With the onset of COVID-19, Toronto Water Distribution and Collection responded by restructuring staff work shifts to meet the social distancing guidelines put in place by Toronto Public Health (TPH). This restructuring led to a prioritizing of emergency work only. Planned critical work was, by necessity, shifted to City contracts.

The amendment value request is in the amount of \$472,955 net of all taxes and charges (\$481,279 net of HST Recoveries) revising the current contract value from \$7,204,502 net of all taxes and charges (\$7,331,301 net of HST Recoveries) to \$7,677,457 net of all taxes and charges (\$7,812,580 net of HST Recoveries).

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SIGNATURE

Lou Di Gironimo
General Manager, Toronto Water

Michael Pacholok
Chief Procurement Officer, Purchasing and Materials Management