



BID AWARD PANEL CONTRACT AWARD

Award of Ariba Document Number 3333466537 to Municipal Maintenance Inc. (Area 1) and Forest Ridge Landscaping Inc. (Area 2) for the Right of Way Maintenance on City of Toronto Roads for Transportation Services

Date: April 7, 2022
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 3333466537 and Contract 22TR-OM-108-AW-TG

Description:

Right of Way Maintenance on City of Toronto Roads, Mowing of Grass including the Trimming of Weeds in the Curbs and Medians in Various City of Toronto Locations, all Wards, Toronto & East York and Scarborough Districts, and Etobicoke York and North York Districts. The term of the agreement is to be for the period from date of award to December 31, 2022, with an option in favour of the City to extend the agreement on the same terms and conditions for an additional term of up to three (3) additional separate one (1) year periods.

Should the option(s) be exercised, then the General Manager of Transportation Services Division will request the Chief Procurement Officer to process the renewals under the same terms and conditions.

Recommended Supplier:

Municipal Maintenance Inc. (Area 1)

Contract Award Value:

\$1,242,702 net of all applicable taxes and charges
\$1,404,253 including HST and all applicable charges
\$1,264,574 net of HST recoveries

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

Option Year 1 - January 1, 2023 to December 31, 2023

\$1,279,983 net of all applicable taxes and charges

\$1,446,381 including all applicable taxes and charges

\$1,302,511 net of HST recoveries

Option Year 2 - January 1, 2024 to December 31, 2024

\$1,318,383 net of all applicable taxes and charges

\$1,489,773 including all applicable taxes and charges

\$1,341,587 net of HST recoveries

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

\$1,357,934 net of all applicable taxes and charges

\$1,534,465 including all applicable taxes and charges

\$1,381,834 net of HST recoveries

The total potential contract award identified in this report for Area 1 including option years is \$5,199,002 net of applicable taxes and charges and \$5,874,872 including all applicable taxes and charges. The total potential cost to the City for Area 1 including option years is \$5,290,504 net of HST recoveries.

The above cost calculations for the Option Year reflect an estimated annual 3% increase as per the Consumer Price Index (CPI).

Recommended Supplier:

Forest Ridge Landscaping Inc. (Area 2)

Contract Award Value:

\$1,246,443 net of all applicable taxes and charges

\$1,408,481 including HST and all applicable charges

\$1,268,380 net of HST recoveries

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

Option Year 1 - January 1, 2023 to December 31, 2023

\$1,283,836 net of all applicable taxes and charges

\$1,450,735 including all applicable taxes and charges

\$1,306,432 net of HST recoveries

Option Year 2 - January 1, 2024 to December 31, 2024

\$1,322,351 net of all applicable taxes and charges

\$1,494,257 including all applicable taxes and charges

\$1,345,624 net of HST recoveries

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

\$1,362,022 net of all applicable taxes and charges

\$1,539,085 including all applicable taxes and charges

\$1,385,994 net of HST recoveries

The total potential contract award identified in this report for Area 2 including option years is \$5,214,652 net of all applicable taxes and charges and \$5,892,557 including all taxes and charges. The total potential cost to the City for Area 2 including option years is \$5,306,430 net of HST recoveries.

The above cost calculations for the Option Year reflect an estimated annual 3% increase as per the Consumer Price Index (CPI).

The total potential contract award identified in this report for both Area 1 and 2, including option years is \$10,413,654 net of all applicable taxes and charges and \$11,767,429 including all applicable taxes and charges. **The total potential cost to the City for both Area 1 and 2, including option years is \$10,596,934 net of HST recoveries.**

FINANCIAL IMPACT

The total potential contract award identified in this report for both Area 1 and 2, including option years is \$10,413,654 net of all applicable taxes and charges and \$11,767,429 including all applicable taxes and charges. The total potential cost to the City for both Area 1 and 2, including option years is \$10,596,934 net of HST recoveries.

The engineering estimate for this project is \$911,459 (Area 1) and \$1,073,539 (Area 2) net of all taxes and charges.

Funding for the initial contract period is available in the 2022 Approved Operating Budget for Transportation Services. Should the option years be exercised, additional funding will be requested in the 2023-2025 Operating Budget Submissions of Transportation Services.

Table 1: Financial Impact Summary of Recommended Contract

Cost Centre / WSB Element Accounts	Description Account	Date of Award to December 31, 2025 (Net of HST Recoveries)	Total (Net of HST Recoveries)
Area 1			
TS6020 / 4493 - Year 2022	Operating	\$1,264,574	\$1,264,574
TS6020 / 4493 (Optional Year 1 - 2023)	Operating	\$1,302,511	\$1,302,511
TS6020 / 4493 (Optional Year 2 - 2024)	Operating	\$1,341,587	\$1,341,586
TS6020 / 4493 (Optional Year 3 - 2025)	Operating	\$1,381,834	\$1,381,834
Total Operating Budget (including Optional Years) - Area 1			\$5,290,504
Total Award (Net of HST recoveries) - Area 1			\$5,290,504
Area 2			
TS6030 / 4493 - Year 2022	Operating	\$1,268,380	\$1,268,380
TS6030 / 4493 (Optional Year 1 - 2023)	Operating	\$1,306,432	\$1,306,432

Cost Centre / WSB Element Accounts	Description Account	Date of Award to December 31, 2025 (Net of HST Recoveries)	Total (Net of HST Recoveries)
TS6030 / 4493 (Optional Year 2 - 2024)	Operating	\$1,345,624	\$1,345,624
TS6030 / 4493 (Optional Year 3 - 2025)	Operating	\$1,385,994	\$1,385,994
Total Operating Budget (including Optional Years) - Area 2			\$5,306,430
Total Award (Net of HST recoveries) - Area 2			\$5,306,430
Total Award (Net of HST recoveries) - Area 1 and Area 2			\$10,596,934

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

SOLICITATION SUMMARY

Solicitation Issued: February 18, 2022

Solicitation Closed: March 10, 2022

Number of Addenda Issued: One (1)

Number of Bids: Three (3)

Table 2: Summary of Bids Received including bid price

Supplier	Bid Price (excluding H.S.T.)
Forest Ridge Landscaping Inc.	\$2,415,323.00
Lima's Gardens & Construction Inc.	\$2,120,870.00*
Municipal Maintenance Inc.	\$2,459,732.00

* Supplier only bid on Area 2.

DIVISION CONTACTS

Sabrina Dipietro, Manager, Purchasing and Materials Management Construction Services, 416-397-4809, Sabrina.Dipietro@toronto.ca

Barbara Gray, General Manager, Transportation Services, 416-392-8431, Barbara.Gray@toronto.ca

COMMENTS

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

- 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;
- 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 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 submitted electronically in Ariba; 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