



BID AWARD PANEL CONTRACT AWARD

Award of Ariba Document Number 3547925056 to Utility Force Construction Inc., for Repair and Replacement of Water Services, On-Demand Lead Water, Curb Boxes, Stops and Large Diameter Valve Box (City Wide) for Toronto Water

Date: September 1, 2022
To: Bid Award Panel
From: Acting Chief Procurement Officer
Wards: All

RECOMMENDATIONS

The Acting Chief Purchasing Officer recommends that the Bid Award Panel, pursuant to Section 195-8.3.A(2) of the Municipal Code, Chapter 195, Purchasing, exercise the power of a Standing Committee to grant authority to award the following contract:

Solicitation Number:

Request for Tender, Ariba Document Number 3547925056, Contract Number 22TW-DC-312OCS

Description:

Repair/Replacement of Water Services and On-Demand Lead Water Replacement by Open-Cut/Vacuum Excavation, Replacement of Curb Boxes, Stops and Large Diameter Valve Box by Vacuum Excavation for Toronto Water Operation and Maintenance Section at Various Locations City Wide from date of award to June 30, 2023 with the option to renew the Contract for two (2) additional one (1) year periods at the sole discretion of the City and subject to budget approval.

Should the option periods be exercised then the General Manager of Toronto Water will request the Acting Chief Procurement Officer to process the renewal under the same terms and conditions.

Recommended Supplier:

Utility Force Construction Inc.

Contract Award Value:

\$6,525,975 net of all applicable taxes and charges
\$7,374,352 including all applicable taxes and charges
\$6,640,832 net of HST recoveries

Contract is expected to start on the date of award to June 30, 2023.

Option Period 1 (July 1, 2023 to June 30, 2024):

\$6,852,274 net of all applicable taxes and charges

\$7,743,069 including all applicable taxes and charges

\$6,972,874 net of HST recoveries

Option Period 2 (July 1, 2024 to June 30, 2025):

\$7,194,887 net of all applicable taxes and charges

\$8,130,223 including all applicable taxes and charges

\$7,321,517 net of HST recoveries

The total potential contract award including all option periods is \$20,573,136 net of all taxes and charges and \$23,247,644 including all applicable taxes and charges. **The total potential cost to the City including the option periods is \$20,935,223 net of HST recoveries.**

The above cost calculations reflect an estimated 5 percent Consumer Price Index (CPI) increase applied annually to the yearly cost after the initial year.

FINANCIAL IMPACT

The total potential contract award value identified in this report is \$23,247,644 including all applicable taxes and charges. The total potential cost to the City is \$20,935,223 net of HST recoveries.

The total engineering estimate for this project is \$6,956,300 net of all taxes and charges.

Funding is available in the 2022-2031 Approved Capital Budget and Plan for Toronto Water as well as the 2022 Approved Operating Budget for Toronto Water. Additional funding will be included in the 2023 Operating Budget Submission for Toronto Water for the initial contract period. Should the option periods be exercised, appropriate additional funding will be requested in the 2023-2035 Capital and Operating Budget Submissions for Toronto Water. Funding details are summarized in Table 1 as follows:

Table 1: Financial Impact Summary of Recommended Contract (net of HST Recoveries)

Cost Centre / WBS Element Description	Date of Award to December 30, 2022	January 1, 2023 to June 30, 2023	Option Period 1: July 1, 2023 to December 31, 2023	Option Period 1: January 1, 2024 to June 30, 2024	Option Period 2: July 1, 2024 to December 31, 2024	Option Period 2: January 1, 2025 to June 30, 2025	Total (net of HST Recoveries)
CPW544-03-131 Water Service Replacement	\$1,609,199	\$3,218,398	\$2,243,022	\$2,825,954	\$2,661,212	\$2,661,212	\$15,218,997
TW2020/4424 D&C Dist. Contract Services	\$604,412	\$1,208,824	\$842,475	\$1,061,423	\$999,546	\$999,546	5,716,226

Total (net of HST Recoveries)	\$2,213,611	\$4,427,222	\$3,085,497	\$3,887,377	\$3,660,758	\$3,660,758	\$20,935,223
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The Chief Financial Officer and Treasurer has reviewed this report and agrees with the financial impact information.

SOLICITATION SUMMARY

Solicitation Issued: July 5, 2022 **Solicitation Closed:** August 8, 2022

Number of Addenda Issued: Two (2)

Number of Bids: Five (5)

Table 2: Summary of Bids received including bid price:

Supplier Name	Bid Price (excluding H.S.T.)
Utility Force Construction Inc.	\$6,175,975.00*
OJCR Construction Ltd.	\$6,692,345.00
Ontario Excavac Inc.	\$7,716,691.06
Fer-Pal Construction Ltd.	\$7,772,465.00
614128 Ontario Ltd. o/a Trisan Construction	\$9,154,586.00

*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. City Council is in election recess and pursuant to the Municipal Code, Chapter 195, Purchasing, Sections 195-8.3.A(2), the Bid Award Panel has authority to exercise the power of a Standing Committee to make an award that exceeds \$20,000,000 (excluding applicable taxes);
- b. 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;
- c. the appropriate Division has reviewed submissions and found the price to be reasonable, within available budget and concurs with the recommendation;

d. the total contract value is more than \$20 million dollars (excluding applicable taxes) and the contract term is:

1. for a contract funded by the operating budget, 2 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;

e. the Solicitation document was advertised on the City's internet website and bids or proposals were opened publicly; and

f. 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

Sandra Lisi
Acting Chief Procurement Officer