

Amendment of Purchase Order No. 6048844 to M.E. Andrews and Associates Limited for the Provision of Professional Services for Local and Trunk Sewer Asset Condition Assessment

Date: March 2, 2022

To: Infrastructure and Environment Committee

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

Wards: All

SUMMARY

The purpose of this report is to request the authority to amend Purchase Order Number 6048844 issued to M.E. Andrews and Associated Limited for the Provision of Professional Services for Local and Trunk Sewer Asset Condition Assessment awarded under Request for Proposal (RFP) Number 9155-18-7147.

Due to the schedule of the Owner's Engineering Technical Advisor (OETA) RFP for the F.G. Gardiner Expressway Section 3 Reconstruction project, work associated with this sewer asset condition assessment project must now be accelerated and done in addition to the current option year locations. Also, there is insufficient time to tender and award a separate sewer asset condition assessment project. Therefore, a Purchase Order amendment to Purchase Order Number 6048844 issued to M.E. Andrews and Associated Limited is required in order to add the scope of work related to the F.G. Gardiner Expressway Section 3 Reconstruction project.

The total value of the Purchase Order Amendment being requested is \$2,100,000 net of all taxes and charges (\$2,136,960 net of HST recovery), revising the current purchase order value from \$48,756,014 net of all taxes and charges (\$49,614,120 net of HST recovery) to \$50,856,014 net of all taxes and charges (\$51,751,080 net of HST recovery).

RECOMMENDATIONS

The General Manager of Toronto Water and 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 Bylaw), grant

authority to amend Purchase Order No. 6048844 with M.E. Andrews and Associates Limited for Professional Services for Local and Trunk Sewer Asset Condition Assessment by an additional amount of \$2,100,000 net of all taxes and charges (\$2,136,960 net of HST recovery), revising the current purchase order value from \$48,756,014 net of all taxes and charges (\$49,614,120 net of HST recovery) to \$50,856,014 net of all taxes and charges (\$51,751,080 net of HST recovery).

FINANCIAL IMPACT

The total value of the Purchase Order amendment is \$2,100,000 net of all taxes and charges. The cost to the City is \$2,136,960 net of HST recovery. . This Purchase Order amendment will increase the current purchase order value from \$48,756,014 net of all taxes and charges (\$49,614,120 net of HST recovery) to \$50,856,014 net of all taxes and charges (\$51,751,080 net of HST recovery).

Funding is included in the Toronto Water 2022 Approved Capital Budget and 2023-2031 Approved Capital Plan as summarized in Table 1 below:

Table 1 - Financial Impact Summary

WBS Element	Description	2022	2023	Total (net of HST recovery)
CWW452-05	Sewer System Inspection	\$1,500,000	\$639,960	\$2,139,960

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

DECISION HISTORY

Infrastructure and Environment Committee adopted Item No. 2019.IE3.2 at its meeting held on April 2, 2019, thereby authorizing the award of RFP No. 9155-18-7147 for Professional Services for Local and Trunk Sewer Asset Condition Assessment in the amount of \$23,985,703 net of all applicable taxes and charges (\$24,407,851 net of HST recovery) from the date of award for a two (2)-year period, with the option to renew, at the discretion of the General Manager, for an additional three (3) one (1)-year periods for a total potential cost of \$62,166,469 net of all taxes and charges (\$63,260,597 net of HST recovery):

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.IE3.2>

Purchase Order 6048844 to Andrews and Associated Limited was issued in the amount of \$23,985,703 net of all taxes and charges.

Option Year 1 was exercised on May 26, 2021, and the purchase order was amended by \$12,100,787 net of all taxes, revising the purchase order value from \$23,985,703 net of all taxes to \$36,086,490 net of all taxes.

Option Year 2 was exercised on February 11, 2022 and the purchase order was amended by \$12,669,524 net of all taxes, revising the purchase order value from \$36,086,490 net of all taxes to \$48,756,014 net of all taxes.

COMMENTS

1. Local and Trunk Sewer Asset Condition Assessment Program

Toronto Water currently operates and maintains over 10,000 kilometers of local storm, sanitary, and combined sewers and 400 kilometers of trunk sewers that are critical services to the Toronto residents and businesses. Efficient and reliable operation of the sewer system is vital to the City's ongoing growth and success.

Condition assessments are completed through Closed Circuit Television videos (CCTV) and inspection reports generated through the City's sewer inspection program. This information is the primary means of determining the condition of the sewers and maintenance holes, and are the key source of information for determining the annual sewer rehabilitation and reconstruction program. The success of the planned sewer maintenance program is dependent upon the accuracy of the CCTV inspection along with the interpretation of the defects identified. If the inspection information is not accurate, the rehabilitation needs cannot be properly considered and implemented. CCTV is the primary source of data used by City contractors who are undertaking sewer rehabilitation contracts

2. Amendment of Purchase Order No.6048934 to M.E. Andrews and Associated Limited

The current sewer asset condition assessment project was awarded to M.E. Andrews and Associated Limited in May 2019 and will be completed by May 2024 if all option years are exercised.

The scope of work under this assignment for the first two years included:

- a) Providing project management and sewer inspection services for an estimated 1,450 km of local sewers, 80 km of trunk sewers, and up to 26,000 maintenance holes.
- b) The coordinating, managing, reviewing, flushing, inspecting, and all other work associated with the inspection and evaluation of maintenance holes and sewers.
- c) Interpretation and recommendation of inspection data, including loading data into databases and digitization of uncharted assets for sewer pipes and maintenance holes.
- d) Provision of condition assessment, renewal recommendations and cost estimates in accordance with all requirements for deliverables outlines in the RFP for the City's existing 200 km sewer pipe inspection videos.

Subject to satisfactory performance in the execution of this work and budget availability, the services noted above will continue on an annual basis for up to a maximum of three additional one-year terms.

Specific work locations are provided to M.E. Andrews and Associated Limited by Toronto Water staff on an annual basis.

In September 2021, staff from Engineering and Construction Services (ECS) Division made a presentation to Toronto Water about the F.G. Gardiner Expressway Section 3 Reconstruction project from Highway 427 to the Humber River. Toronto Water learned from the presentation that an RFP for an Owner's Engineering Technical Advisor (OETA) will be issued in the first quarter of 2022 and that the OETA will deliver a preliminary design package for all bundled projects including bridges, roads, lighting, sewers, watermains etc. In preparation for this RFP, ECS would like Toronto Water to provide the scope and funding for the OETA RFP related to Toronto Water's sewers and watermains. Following the OETA RFP, the project would follow a Design-Build delivery model with construction starting in 2024.

The F.G. Gardiner Expressway Section 3 Reconstruction project offers a rare opportunity for bundling capital projects to avoid multiple disruptions to the public and minimize the risk of substantial future delay due to road moratorium.

Since September 2021, Toronto Water staff have been reviewing record data and working on providing the ECS project team with a comprehensive list of Toronto Water assets within or immediately adjacent to the F.G. Gardiner Expressway Section 3 Project Right-Of-Way. From this review, it has been determined that 9,351 metres (approximately 10 kilometres) of sewers require cleaning and CCTV as soon as possible so that capital works can be identified and included in ECS's OETA RFP.

Ideally, the cleaning, CCTV inspection, and recommendation of capital works should be completed before the release of OETA RFP in Q1 2022. Unfortunately, this is simply not possible. However, Toronto Water can provide an estimate to the project team at the time of issuing the OETA RFP while making the best effort to complete the cleaning, CCTV and capital work identification task before the award of the OETA contract anticipated around Q4 2022.

The scope of work identified through the requirements of the F.G. Gardiner Expressway Section 3 Reconstruction project match the scope that is currently included in the existing assignment with M.E. Andrews and Associated Limited Purchase Order No.6048934 and the specific locations would have eventually been included in future option years. Due to the schedule of the OETA RFP for the F.G. Gardiner Expressway Section 3 Reconstruction project, this work must now be accelerated and done in addition to the current option year locations. The cost of this additional work is estimated at \$2.1 million net of all taxes.

In addition, due to the schedule of the OETA RFP for the F.G. Gardiner Expressway Section 3 Reconstruction project, there is insufficient time to tender and award a separate sewer asset condition assessment project. Therefore, a purchase order amendment to Purchase Order Number 6048844 issued to M.E. Andrews and Associated Limited is required in order to accelerate the scope of work related to the F.G. Gardiner Expressway Section 3 Reconstruction project.

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SIGNATURE

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