BID AWARD PANEL
CONTRACT AWARD

Award of Ariba Document Number 3589421616 (Part A) to Utility Force Construction Inc. for Repair of Sewer Systems and Appurtenance at Various Locations for Toronto Water

Date: November 24, 2022
To: Bid Award Panel
From: Acting Chief Procurement Officer
Wards: 10, 11, 13, 14, 15, 16, 19, 20, 21, 22, 23, 24, 25

RECOMMENDATIONS

The Acting Chief Procurement Officer recommends that the Bid Award Panel grant authority to award the following contract:

Solicitation Number:
Request for Tender, Ariba Document Number 3589421616 (Part A), Contract Number 22TW-DC-322OCS.

Description:
Repair of Sewer Systems and Appurtenance at Various Locations within the City of Toronto - Part A Wards: 10, 11, 13, 14, 15, 16, 19, 20, 21, 22, 23, 24 and 25 (22TW-DC-322OCS) from date of award to June 30, 2023 with the option to extend the Contract for one (1) additional one (1) year period at the sole discretion of the City and subject to budget approval.

Should the option period 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:
Part A: Utility Force Construction Inc.

Contract Award Value:
$6,613,875 net of all applicable taxes and charges
$7,473,679 including all applicable taxes and charges
$6,730,279 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)
$6,812,291 net of all applicable taxes and charges
$7,697,889 including all applicable taxes and charges
$6,932,188 net of HST recoveries

The total contract award including all option period is $13,426,166 net of all applicable taxes and charges and $15,171,568 including all applicable taxes and charges. **The total potential cost to the City including the option period is $13,662,467 net of HST recoveries.**

The above cost calculations reflect an estimated three (3) 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 including all option periods is $15,171,568 including all applicable taxes and charges. The total potential cost to the City is $13,662,467 net of HST recoveries.

The engineering estimate for this project is $15,335,635 (Part A) net of all applicable taxes and charges.

Funding for the initial contract period is available in the 2022 Approved Capital Budget and 2023-2031 Approved Capital Plan for Toronto Water. Should the option period be exercised, appropriate additional funding will be included in future year Capital 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 31, 2022	January 1, 2023 to June 30, 2023	Option Period 1: July 1, 2023 to June 30, 2024	Total (net of HST Recoveries)
CWW465-06-214 Sewer Rehab – 2008 Program	$2,422,900	$4,307,379	$6,932,188	$13,662,467

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

SOLICITATION SUMMARY

Solicitation Issued: July 22, 2022 **Solicitation Closed:** August 17, 2022
Number of Addenda Issued: Zero (0)
Number of Bids: Four (4)

Table 2: Summary of Bids Received including bid price

Supplier Name	Bid Price (excluding H.S.T.)
Utility Force Construction Inc.	$6,313,875*
614128 Ontario Ltd. o/a Trisan Construction	$6,416,750
OJCR Construction Ltd.	$6,590,000**
Finch Paving (1993) Inc.	$7,198,250

*Pursuant to the Request for Tender document the contract award value includes contingency.
**Supplier found to be non-compliant with mandatory requirements

DIVISION CONTACTS

Marie Reid, Manager, Infrastructure and Development Services, Purchasing Client Services, Purchasing and Materials Management Division, 416-397-5187, Marie.Reid@toronto.ca

Antonio Longo, Manager, Operations Contract Services, Distribution and Collection, Toronto Water, 416-392-4164, Antonio.Longo@toronto.ca

COMMENTS

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

a. 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;

b. 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 more 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

Sandra Lisi
Acting Chief Procurement Officer