



BID AWARD PANEL CONTRACT AWARD

Award of Ariba Document Number 3672996125 to Ojcr Construction Ltd. for Repair of Water Systems and Appurtenances for Various Locations for Toronto Water

Date: November 24, 2022
To: Bid Award Panel
From: Acting Chief Procurement Officer
Wards: All

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 3672996125 and Contract Number 22TW-DC-324OCS (Part A) and 22TW-DC-325OCS (Part B).

Description:

Repair of Water 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-324OCS) and Part B Wards: 1, 2, 3, 4, 5, 6, 7, 8, 9, 12, 17, and 18 (22TW-DC-325OCS) from date of award to June 30, 2023 with the option to renew 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: Ojcr Construction Ltd.

Part B: Ojcr Construction Ltd.

Contract Award Value:

Part A - Ojcr Construction Ltd.

\$2,539,000 net of all applicable taxes and charges

\$2,869,070 including all applicable taxes and charges

\$2,583,686 net of HST recoveries

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

Option Year 1- July 1, 2023 to June 30, 2024

\$2,615,170 net of all applicable taxes and charges

\$2,955,142 including all applicable taxes and charges

\$2,661,197 net of HST recoveries

The total potential contract award for OJCR Construction Ltd. for Part A including the option year is \$5,154,170 net of all applicable taxes and charges and \$5,824,212 including all applicable taxes and charges. **The total potential cost to the City for OJCR Construction Ltd. for Part A including the option period is \$5,244,883 net of HST recoveries.**

Part B – Ojcr Construction Ltd.

\$2,028,600 net of all applicable taxes and charges

\$2,292,318 including all applicable taxes and charges

\$2,064,303 net of HST recoveries

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

Option Year 1 - July 1, 2023 to June 30, 2024

\$2,089,458 net of all applicable taxes and charges

\$2,361,088 including all applicable taxes and charges

\$2,126,232 net of HST recoveries

The total contract award for OJCR Construction Ltd. for Part B including the option year is \$4,118,058 net of all applicable taxes and charges and \$4,653,406 including all applicable taxes and charges. **The total potential cost to the City for OJCR Construction Ltd. for Part B including the option period is \$4,190,536 net of HST recoveries.**

The total potential contract award including all option year is \$9,272,228 net of all taxes and charges and \$10,477,618 including all applicable taxes and charges. **The total potential cost to the City including the option year for all parts is \$9,435,419 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 years is \$10,477,618 including all applicable taxes and charges. The total potential cost to the City is \$9,435,419 net of HST recoveries.

The engineering estimate for this project is \$5,790,067 (Part A), \$4,806,025 (Part B) net of all applicable taxes and charges. The total engineering estimate is \$10,596,092 net of all applicable taxes and charges.

Funding is available in the 2022 Approved Capital and Operating Budgets for Toronto Water, the 2023-2031 Approved Capital Plan for Toronto Water and 2023 Approved Operating Budget Submission for Toronto Water. Should the optional period be exercised, additional funding will be included in future 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 31, 2022	January 1, 2023 to June 30, 2023	Option Period 1: July 1, 2023 to June 30, 2024	Total (net of HST Recoveries)
CPW543-02 Hydrant & Valve Repair	\$83,334	\$500,000	\$1,000,000	\$1,583,334
TW-2020 - 4424	\$580,665	\$3,483,991	\$3,787,429	\$7,852,085
Total (net of HST Recoveries)	\$663,999	\$3,983,991	\$4,787,429	\$9,435,419

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

SOLICITATION SUMMARY

Solicitation Issued: September 26, 2022

Solicitation Closed: October 26, 2022

Number of Addenda Issued: Three (3)

Number of Bids: Five (5)

Table 2: Summary of Bids Received including bid price for Contract Number 22TW-DC-324OCS (Part A)

Supplier Name	Bid Price (excluding H.S.T.)
Ojcr Construction Ltd.	\$2,289,000*
614128 Ontario Ltd. o/a Trisan Construction	\$2,381,750
Utility Force Construction Inc.	\$2,936,750
Finch Paving (1993) Inc.	\$2,965,250
Rafat General Contractor Inc.	\$3,213,750

*Pursuant to the Request for Tender document the contract award value includes contingency.

Table 3: Summary of Bids Received including bid price for Contract Number 22TW-DC-325OCS (Part B)

Supplier Name	Bid Price (excluding H.S.T.)
Ojcr Construction Ltd.	\$1,778,600*
Finch Paving (1993) Inc.	\$2,029,500
614128 Ontario Ltd. o/a Trisan Construction	\$2,132,700
Utility Force Construction Inc.	\$2,367,750
Rafat General Contractor Inc.	\$2,601,500

*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. 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