



BID AWARD PANEL CONTRACT AWARD

Award of Ariba Document Number 3557875189 to Utility Force Construction Inc. (Part A) and 614128 Ontario Ltd o/a Trisan Construction (Part B) for General Sewer and Watermain Construction Related Activities for Residential and New Industrial, Commercial and Institutional for Toronto Water

Date: December 08, 2022
To: Bid Award Panel
From: Acting Chief Procurement Officer
Wards: 1, 2, 3, 5, 7

RECOMMENDATIONS

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

Solicitation Number:

Negotiated Request for Proposal, Ariba Document Number 3557875189,
Contract Number 22TW-DC-301OCS (Part A) and
Contract Number 22TW-DC-306OCS (Part B)

Description:

General Sewer and Watermain Construction Related Activities for Residential Water & Sewer Service Connections (Part A, Contract Number 22TW-DC-301OCS) and New Industrial, Commercial, and Institutional (ICI) (Part B, Contract Number 22TW-DC-306OCS) for Etobicoke and York District Wards: 1, 2, 3, 5 and 7 from date of award to December 31, 2023 with the option to extend the Contract for two (2) additional one (1) year period at the sole discretion of the City and subject to budget approval.

Should the option period(s) 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.
Part B: 614128 Ontario Ltd o/a Trisan Construction

Contract Award Value:

Part A – Utility Force Construction Inc.

\$2,972,850 net of all applicable taxes and charges

\$3,359,320 including all applicable taxes and charges

\$3,025,172 net of HST recoveries

Contract is expected to start on the date of award to December 31, 2023.

Option Period 1 (January 1, 2024 to December 31, 2024)

\$3,062,035 net of all applicable taxes and charges

\$3,460,100 including all applicable taxes and charges

\$3,115,927 net of HST recoveries

Option Period 2 (January 1, 2025 to December 31, 2025)

\$3,153,897 net of all applicable taxes and charges

\$3,563,903 including all applicable taxes and charges

\$3,209,405 net of HST recoveries

The total contract award for Utility Force Construction Inc. including all option periods is \$9,188,782 net of all applicable taxes and charges and \$10,383,324 including all applicable taxes and charges. The total potential cost to the City including the option period is \$9,350,505 net of HST recoveries.

Part B – 614128 Ontario Ltd o/a Trisan Construction

\$2,302,516 net of all applicable taxes and charges

\$2,601,843 including all applicable taxes and charges

\$2,343,040 net of HST recoveries

Contract is expected to start on the date of award to December 31, 2023.

Option Period 1 (January 1, 2024 to December 31, 2024)

\$2,371,591 net of all applicable taxes and charges

\$2,679,898 including all applicable taxes and charges

\$2,413,331 net of HST recoveries

Option Period 2 (January 1, 2025 to December 31, 2025)

\$2,442,739 net of all applicable taxes and charges

\$2,760,295 including all applicable taxes and charges

\$2,485,731 net of HST recoveries

The total contract award for 614128 Ontario Ltd o/a Trisan Construction including all option periods is \$7,116,847 net of all applicable taxes and charges and \$8,042,037 including all applicable taxes and charges. The total potential cost to the City including the option period is \$7,242,103 net of HST recoveries.

The total potential contact award including all option period is \$16,305,629 net of all taxes and charges and \$18,425,360 including all applicable taxes and charges. The total potential cost to the City including the option period for both parts is \$16,592,608 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 \$18,425,360 including all applicable taxes and charges. The total potential cost to the City is \$16,592,608 net of HST recoveries.

The engineering estimate for this project is \$9,375,666 (Part A) and \$7,943,335 (Part B) net of all taxes and charges. The total engineering estimate is \$17,319,000 net of all taxes and charges.

Funding for 2023 and Option Period 1, should Option Period 1 be exercised, is available in the 2023-2032 Capital Budget and Plan Submission for Toronto Water. Should Option Period 2 be exercised, funding will be included in the 2025-2034 Capital Budget and Plan Submission for Toronto Water. Additional 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	January 1, 2023 to December 31, 2023	Option Period 1: January 1, 2024 to December 31, 2024	Option Period 2: January 1, 2025 to December 31, 2025	Total (net of HST Recoveries)
CPW600-02-12 New Service Connections – Site Servicing	\$3,025,172	\$3,115,927	\$3,209,405	\$9,350,505
CPW600-02-15 New Service Connections – Site Servicing	\$2,343,040	\$2,413,332	\$2,485,731	\$7,242,103
Total (net of HST Recoveries)	\$5,368,212	\$5,529,259	\$5,695,137	\$16,592,608

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

SOLICITATION SUMMARY

Solicitation Issued: July 5, 2022

Solicitation Closed: August 15, 2022

Number of Addenda Issued: Five (5)

Number of Bids: Five (5)

Table 2: Summary of Bids Received for Part A, Contract Number 22TW-DC-301OCS

Supplier Name
614128 Ontario Ltd. o/a Trisan Construction
Clearway Construction Inc.
Rabcon Contractors Ltd.
Rafat General Contractor Inc.*
Utility Force Construction Inc.**

*Supplier did not meet the minimum technical threshold.

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

Range of Scores:

100.00 – 35.00

Table 3: Summary of Bids Received for Part B, Contract Number 22TW-DC-306OCS

Supplier Name
614128 Ontario Ltd. o/a Trisan Construction**
Clearway Construction Inc.
Rabcon Contractors Ltd.
Rafat General Contractor Inc.*
Utility Force Construction Inc.

*Supplier did not meet the minimum technical threshold.

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

Range of Scores:

100.00 – 36.00

DIVISION CONTACTS

Mohamed Eldaour, Manager, Category Management and Strategic Sourcing, Purchasing and Materials Management Division, 416-394-8447, Mohamed.Eldaour@toronto.ca

Antonio Longo, Manager, Operations Contract Services, Distribution and Collection, Toronto Water, Telephone: 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