



BID AWARD PANEL CONTRACT AWARD

Award of Ariba Document Number 3758267365 to OJCR Construction Ltd., for Repair of Sewer Service Connections, Catchbasins and Appurtenances for Various Locations for Toronto Water

Date: January 11, 2023
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 3758267365, Contract Number 22TW-DC-320OCS (Part A) and 22TW-DC-321OCS (Part B).

Description:

Repair of Sewer Service Connections, Catchbasins and Appurtenances for Various Locations - Part A Wards: 10, 11, 13, 14, 15, 16, 19, 20, 21, 22, 23, 24, and 25 (22TW-DC-320OCS) and Part B Wards: 1, 2, 3, 4, 5, 6, 7, 8, 9, 12, 17, and 18 (22TW-DC-321OCS) from date of award to September 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: OJCR Construction Ltd.
Part B: OJCR Construction Ltd.

Contract Award Value:

Part A - OJCR Construction Ltd.

\$2,673,500 net of all applicable taxes and charges
\$3,021,055 including all applicable taxes and charges
\$2,720,554 net of HST recoveries

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

Option Year 1 (October 1, 2023 to September 30, 2024)
\$2,753,705 net of all applicable taxes and charges
\$3,111,687 including all applicable taxes and charges
\$2,802,170 net of HST recoveries

The total potential contract award for OJCR Construction Ltd. for Part A including the option year is \$5,427,205 net of all applicable taxes and charges and \$6,132,742 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 \$5,522,724 net of HST recoveries.**

Part B – OJCR Construction Ltd.

\$4,873,500 net of all applicable taxes and charges
\$5,507,055 including all applicable taxes and charges
\$4,959,274 net of HST recoveries

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

Option Year 1 (October 1, 2023 to September 30, 2024)
\$5,019,705 net of all applicable taxes and charges
\$5,672,267 including all applicable taxes and charges
\$5,108,052 net of HST recoveries

The total contract award for OJCR Construction Ltd. for Part B including the option year is \$9,893,205 net of all applicable taxes and charges and \$11,179,322 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 \$10,067,325 net of HST recoveries.**

The total potential contract award including all option year is \$15,320,410 net of all applicable taxes and charges and \$17,312,064 including all applicable taxes and charges. **The total potential cost to the City including the option year for all parts is \$15,590,049 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 \$17,312,064 including all applicable taxes and charges. The total potential cost to the City is \$15,590,049 net of HST recoveries.

The total engineering estimate is \$16,693,705 net of all applicable taxes and charges.

Funding for 2023 and the first optional period, should it be exercised, is available in the Tabled 2023-2032 Capital Budget and Plan for Toronto Water. Funding details are summarized in Table 1 and 2 as follows:

Table 1: Financial Impact Summary of Recommended Contract Number 22TW-DC-320OCS (Part A) (net of HST Recoveries)

Cost Centre / WBS Element Description	Date of Award to Sep. 30, 2023	Option Period 1: October 1, 2023 to Dec. 31, 2023	Option Period 1: Jan. 1, 2024 to Sep. 30, 2024	Total (net of HST Recoveries)
CWW465-06-221 Sewer Rehab – 2008 Program	\$2,366,882	\$609,472	\$1,828,416	\$4,804,770
CPW544-03-133 All District WSR – Lead Replacement	\$353,672	\$91,070	\$273,212	\$717,954
Total (net of HST Recoveries)	\$2,720,554	\$700,542	\$2,101,628	\$5,522,724

Table 2: Financial Impact Summary of Recommended Contract Number 22TW-DC-321OCS (Part B) (net of HST Recoveries)

Cost Centre / WBS Element Description	Date of Award to September 30, 2023	Option Period 1: October 1, 2023 to Dec. 31, 2023	Option Period 1: Jan. 1, 2024 to Sept. 30, 2024	Total (net of HST Recoveries)
CWW465-06-222 Sewer Rehab – 2008 Program	\$4,314,568	\$958,751	\$3,485,254	\$8,758,573
CPW544-03-134 All District WSR – Lead Replacement	\$644,706	\$127,274	\$536,772	\$1,308,752
Total (net of HST Recoveries)	\$4,959,274	\$1,086,025	\$4,022,026	\$10,067,325

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

SOLICITATION SUMMARY

Solicitation Issued: November 24, 2022

Solicitation Closed: December 19, 2022

Number of Addenda Issued: Zero (0)

Number of Bids: Two (2)

Table 3: Summary of Bids Received including bid price for Contract Number 22TW-DC-320OCS (Part A)

Supplier Name	Bid Price (excluding H.S.T.)
OJCR Construction Ltd.	\$2,423,500*
614128 Ontario Ltd. o/a Trisan Construction	\$3,373,810

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

Table 4: Summary of Bids Received including bid price for Contract Number 22TW-DC-321OCS (Part B)

Supplier Name	Bid Price (excluding H.S.T.)
OJCR Construction Ltd.	\$4,423,500*
614128 Ontario Ltd. o/a Trisan Construction	\$5,975,470

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

DIVISION CONTACTS

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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 less 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