

Award of Request for Tender Ariba Document Number 3754640010 to Bennett Mechanical Installations (2001) Limited for the Ashbridges Bay Treatment Plant - D Building Phase 2 Upgrades Project 22ECS-MI-03AB

Date: April 3, 2023

To: General Government Committee

From: Interim Chief Engineer and Executive Director, Engineering and Construction Services and Chief Procurement Officer, Purchasing and Materials Management

Wards: 14

SUMMARY

The purpose of this report is to advise of the results of Request for Tender Ariba Document Number 3754640010, Contract Number 22ECS-MI-03AB, for the D Building Phase 2 Upgrades project at Ashbridges Bay Treatment Plant and to request authority to award the contract to Bennett Mechanical Installations (2001) Limited in the amount of \$75,275,157 net of all applicable taxes and charges (\$76,600,000 net of Harmonized Sales Tax recoveries).

RECOMMENDATIONS

The Interim Chief Engineer and Executive Director, Engineering and Construction Services and the Chief Procurement Officer, Purchasing and Materials Management recommend that:

1. The General Government Committee, in accordance with Section 195-8.4A of the Toronto Municipal Code Chapter 195 (Purchasing By-Law), grant authority to award Contract Number 22ECS-MI-03AB, Ariba Document Number 3754640010, for D Building Phase 2 Upgrades project at Ashbridges Bay Treatment Plant, in the amount of \$75,275,157 net of all applicable taxes and charges (\$76,600,000 net of Harmonized Sales Tax recoveries) to Bennett Mechanical Installations (2001) Limited having submitted the lowest compliant bid and meeting the specifications in conformance with the Tender requirements.

FINANCIAL IMPACT

The total contract award is \$75,275,157 net of all applicable taxes and charges. The total cost to the City is \$76,600,000 net of Harmonized Sales Tax recoveries.

Funding is available in Toronto Water's Approved 2023 Capital Budget and 2024-2032 Capital Plan. Funding details are provided in Table 1 below:

Table 1: Projected Cash Flow for Construction Contract Number 22ECS-MI-03AB

WBS Element	2023	2024	2025	2026	Total (Net of Harmonized Sales Tax Recoveries)
CWW019-34 (D Building – Phase 2)	\$10,000,000	\$25,700,000	\$25,700,000	\$15,200,000	\$76,600,000

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

DECISION HISTORY

At its meeting held on February 21, 2018, the Bid Award Panel adopted the recommendations in the staff report from the Chief Purchasing Officer dated February 12, 2018 and authorized the retention of GHD Limited for to provide professional engineering services for design, construction administration, and post construction services for D Building Phase 2 Upgrades at Ashbridges Bay Treatment Plant. The scope included upgrades to the preliminary treatment at D Building, rehabilitation for the D Building primary clarifiers 10-12, relocation and replacement of various D Building electrical equipment. A copy of the Bid Award Panel Committee document can be found at: [Agenda Item History - 2018.BA64.2 \(toronto.ca\)](#)

COMMENTS

Background

The Ashbridges Bay Treatment Plant receives and treats wastewater from approximately 1.6 million people before discharging treated water back to Lake Ontario.

As part of the Toronto Water Capital Plan, the plant continues to undergo both expansion for planned growth as well as upgrades to replace aging equipment and provide additional equipment that will modernize and enhance the treatment process.

This contract award deals with upgrades to the D Building where the first stages of wastewater treatment occur using grit screens and three primary clarifier tanks. The D Building upgrades are being done in two phases with Phase 1 completed in 2014 and Phase 2 the subject of this report.

The design of the D Building Phase 2 Upgrades was initiated in 2018. The engineering consultant retained for the design and services during construction was GHD Limited and the project was managed by Engineering and Construction Services' Major Infrastructure Section.

The scope of work for the D Building Phase 2 Upgrades contract includes channel improvements throughout the screening area to minimize grit accumulation, addition of a chemically enhanced primary treatment system, addition of a freight elevator meeting Accessibility for Ontarians with Disabilities Act requirements, electrical system upgrades, and major upgrades to the primary clarifier tanks, including replacement of the existing traveling bridges and refurbishment of pumping systems.

Procurement Process

Request for Tender, Ariba Document Number 3754640010, Contract Number 22ECS-MI-03AB for D Building Phase 2 Upgrades at Ashbridges Bay Treatment Plant was issued by Purchasing and Materials Management Division and was advertised on the City's and Ariba Discovery's websites on November 23, 2022. Ten (10) Addenda were issued and the tender call was closed on March 3, 2023.

Table 2: Suppliers and Bid Prices for Request for Tender, Ariba Document Number 3754640010, Contract Number 22ECS-MI-03AB

Suppliers	Bid Price Excluding Harmonized Sales Tax
Bennett Mechanical Installations (2001) Ltd.	\$69,704,700*
Alberici Constructors Ltd.	\$75,543,631
North America Construction (1993) Ltd.	\$99,900,965

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

The submissions received from the three (3) Suppliers that responded to Ariba Tender Document Number 3754640010, Contract Number 22ECS-MI-03AB, were reviewed and evaluated by staff from Purchasing and Materials Management Division, Engineering and Construction Services and the Engineering Consultant and were found to be in conformance with the Tender requirements.

Engineering and Construction Services staff compared the bids to the engineering estimate of \$64,457,196 net of Harmonized Sales Tax recoveries. The bid price of the recommended Supplier is in the amount of \$69,704,700 net of all applicable taxes and charges is approximately eight percent higher than the pre-tender engineering estimate.

A contingency allowance of \$5,570,457 net of all applicable taxes and charges on the base scope of work is included in the proposed contract award for work and/or services which may be required to address any unforeseen conditions which may arise during construction. This level of contingency, eight percent, is low for the assessed risks associated with retrofit work of this nature given the interaction with adjacent construction projects in an older, operating plant such as Ashbridges Bay Treatment Plant. The retrofits will be undertaken while the plant remains fully operational and must at all times meet regulatory compliance requirements. Engineering and Construction Services will actively manage the contract to minimize the use of contingency and provisional items and if necessary, investigate alternative options for some planned repair items. Toronto Water will plan for potential future funding adjustments if required. The total contract price is \$85,060,928 including all taxes and applicable charges.

The Fair Wage Office reported that the recommended Bidder indicated they have reviewed and understand the Fair Wage Policy and Labour Trades requirements and the recommended Bidder has agreed to comply fully.

The Tender submission from Bennett Mechanical Installations (2001) Limited for Contract Number 22ECS-MI-03AB, includes their agreement to complete the works within 156 Weeks from the date of the written order to commence work is issued by the City.

CONTACT

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SIGNATURE

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