



BID AWARD PANEL CONTRACT AWARD

Award of Doc4096217399 to Queensway Excavating & Landscaping Ltd. and Supco Construction Ltd. for Backhoe Services with Operators for Toronto Water

Date: January 25, 2024
To: Bid Award Panel
From: Chief Procurement Officer
Wards: All

RECOMMENDATIONS

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

Solicitation Number:

Request for Quotation Doc4096217399, Contract Number 23TW-DC-309OCS (Part A) and 23TW-DC-310OCS (Part B)

Description:

Supply of all Labour, Materials, Equipment necessary to provide Backhoe Services with Operators for planned, unplanned and emergency work and repair activities within the City of Toronto on an as-needed basis for Toronto Water – Part A for North York and Etobicoke Districts (23TW-DC-309OCS) and Part B for Toronto, East York and Scarborough Districts (23TW-DC-310OCS) from date of award to December 31, 2024, with the option to extend the agreement for up to four (4) additional separate one (1) year periods at the sole discretion of the City and subject to budget approval.

Should the option periods be exercised, the General Manager of Toronto Water will request the Chief Procurement Officer to process the renewal under the same terms and conditions.

Recommended Supplier:

Part A

1. Queensway Excavating & Landscaping Ltd.
2. Supco Construction Ltd.

Part B

1. Queensway Excavating & Landscaping Ltd.
2. Supco Construction Ltd.

Contract Award Value:

Part A – Queensway Excavating & Landscaping Ltd.

\$2,335,225 net of all applicable taxes and charges

\$2,638,804 including all applicable taxes and charges

\$2,376,324 net of HST recoveries

Contract is expected to start on date of award and end December 31, 2024.

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

\$2,405,281 net of all applicable taxes and charges

\$2,717,968 including all applicable taxes and charges

\$2,447,614 net of HST recoveries

Option Period 2 (January 1, 2026 to December 31, 2026)

\$2,477,440 net of all applicable taxes and charges

\$2,799,507 including all applicable taxes and charges

\$2,521,043 net of HST recoveries

Option Period 3 (January 1, 2027 to December 31, 2027)

\$2,551,763 net of all applicable taxes and charges

\$2,883,492 including all applicable taxes and charges

\$2,596,674 net of HST recoveries

Option Period 4 (January 1, 2028 to December 31, 2028)

\$2,628,316 net of all applicable taxes and charges

\$2,969,997 including all applicable taxes and charges

\$2,674,574 net of HST recoveries

The total potential contract award including all option periods for Queensway Excavating & Landscaping Ltd. is \$12,398,024 net of all taxes and charges and \$14,009,767 including all applicable taxes and charges. **The total potential cost to the City for Queensway Excavating and Landscaping Ltd. including all option periods is \$12,616,229 net of HST recoveries.**

Part A – Supco Construction Ltd.

\$1,431,030 net of all applicable taxes and charges

\$1,617,064 including all applicable taxes and charges

\$1,456,216 net of HST recoveries

Contract is expected to start on date of award and end December 31, 2024.

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

\$1,473,961 net of all applicable taxes and charges

\$1,665,576 including all applicable taxes and charges

\$1,499,903 net of HST recoveries

Option Period 2 (January 1, 2026 to December 31, 2026)

\$1,518,180 net of all applicable taxes and charges

\$1,715,543 including all applicable taxes and charges

\$1,544,890 net of HST recoveries

Option Period 3 (January 1, 2027 to December 31, 2027)

\$1,563,725 net of all applicable taxes and charges

\$1,767,009 including all applicable taxes and charges

\$1,591,247 net of HST recoveries

Option Period 4 (January 1, 2028 to December 31, 2028)

\$1,610,637 net of all applicable taxes and charges

\$1,820,020 including all applicable taxes and charges

\$1,638,984 net of HST recoveries

The total potential contract award including all option periods for Supco Construction Ltd. is \$7,597,533 net of all taxes and charges and \$8,585,212 including all applicable taxes and charges. **The total potential cost to the City for Supco Construction Ltd. including all option periods is \$7,731,249 net of HST recoveries.**

The combined total potential contract award including all optional periods for Part A for all Suppliers is \$19,995,557 net of all taxes and charges and \$22,594,979 including all applicable taxes and charges. **The combined total potential cost to the City including all option periods is \$20,347,478 net of HST recoveries.**

Part B – Queensway Excavating & Landscaping Ltd.

\$1,331,190 net of all applicable taxes and charges

\$1,504,244 including all applicable taxes and charges

\$1,354,619 net of HST recoveries

Contract is expected to start on date of award and end December 31, 2024.

Option Period 1 (January 1, 2025 to December 31, 2025)
\$1,371,125 net of all applicable taxes and charges
\$1,549,372 including all applicable taxes and charges
\$1,395,257 net of HST recoveries

Option Period 2 (January 1, 2026 to December 31, 2026)
\$1,412,259 net of all applicable taxes and charges
\$1,595,853 including all applicable taxes and charges
\$1,437,115 net of HST recoveries

Option Period 3 (January 1, 2027 to December 31, 2027)
\$1,454,627 net of all applicable taxes and charges
\$1,643,728 including all applicable taxes and charges
\$1,480,228 net of HST recoveries

Option Period 4 (January 1, 2028 to December 31, 2028)
\$1,498,266 net of all applicable taxes and charges
\$1,693,040 including all applicable taxes and charges
\$1,524,635 net of HST recoveries

The total potential contract award including all option periods for Queensway Excavating & Landscaping Ltd. is \$7,067,467 net of all taxes and charges and \$7,986,238 including all applicable taxes and charges. **The total potential cost to the City for Queensway Excavating and Landscaping Ltd. including all option periods is \$7,191,854 net of HST recoveries.**

Part B – Supco Construction Ltd.

\$1,699,137 net of all applicable taxes and charges
\$1,920,024 including all applicable taxes and charges
\$1,729,041 net of HST recoveries

Contract is expected to start on date of award and end December 31, 2024.

Option Period 1 (January 1, 2025 to December 31, 2025)
\$1,750,111 net of all applicable taxes and charges
\$1,977,625 including all applicable taxes and charges
\$1,780,913 net of HST recoveries

Option Period 2 (January 1, 2026 to December 31, 2026)
\$1,802,614 net of all applicable taxes and charges
\$2,036,954 including all applicable taxes and charges
\$1,834,340 net of HST recoveries

Option Period 3 (January 1, 2027 to December 31, 2027)
\$1,856,692 net of all applicable taxes and charges
\$2,098,062 including all applicable taxes and charges
\$1,889,370 net of HST recoveries

Option Period 4 (January 1, 2028 to December 31, 2028)
\$1,912,393 net of all applicable taxes and charges
\$2,161,004 including all applicable taxes and charges
\$1,946,051 net of HST recoveries

The total potential contract award including all option periods for Supco Construction Ltd. is \$9,020,946 net of all taxes and charges and \$10,193,669 including all applicable taxes and charges. **The total potential cost to the City for Supco Construction Ltd. including all option periods is \$9,179,715 net of HST recoveries.**

The combined total potential contract award including all optional periods for Part B for all Suppliers is \$16,088,413 net of all taxes and charges and \$18,179,907 including all applicable taxes and charges. **The combined total potential cost to the City including all option periods is \$16,371,569 net of HST recoveries.**

The total potential contract award including all option periods for all awards is \$36,083,970 net of all taxes and charges and \$40,774,886 including all applicable taxes and charges. **The total potential cost to the City including all option periods for all awards is \$36,719,048 net of HST recoveries.**

The above cost calculations reflect an estimated three (3) percent Consumer Price Index (CPI) adjustment applied annually to the yearly cost after the initial term.

FINANCIAL IMPACT

The total potential contract award value identified in this report including all option periods is \$36,083,970 net of all taxes and charges and \$40,774,886 including all applicable taxes and charges. The total potential cost to the City including all option periods is \$36,719,048 net of HST recoveries.

Funding is available in the 2024 Staff Prepared Operating Budget and Outlook Year for Toronto Water for the initial contract term and in the 2024-2028 Staff Prepared Operating Budget and Outlook Year for Toronto Water for the additional option periods, should it be exercised by the City.

Additional funding details are summarized in Table 1.

Table 1: Financial Impact Summary of Recommended Contract (net of HST Recoveries)

Dates	Cost Centre/ WBS Element		Total (net of HST recoveries)
	Part A (23TW-DC-309OCS): TW2030 / 4424 Construction Services – North West	Part B (23TW-DC-310OCS): TW2040 / 4424 Construction Services – South East	
Date of Award to December 31, 2024	\$3,832,541	\$3,083,660	\$6,916,201
Option Period 1: January 1, 2025 to December 31, 2025	\$3,947,517	\$3,176,170	\$7,123,687
Option Period 2: January 1, 2026 to December 31, 2026	\$4,065,942	\$3,271,455	\$7,337,397
Option Period 3: January 1, 2027 to December 31, 2027	\$4,187,921	\$3,369,598	\$7,557,519
Option Period 4: January 1, 2028 to December 31, 2028	\$4,313,558	\$3,470,686	\$7,784,245
Total (net of HST recoveries)	\$20,347,478	\$16,371,569	\$36,719,048

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

SOLICITATION SUMMARY

Solicitation Issued: July 20, 2023 **Solicitation Closed:** August 15, 2023

Number of Addenda Issued: Three (3)

Number of Bids: Seven (7)

Table 2: Summary of Bids received including bid price (Part A):

Supplier Name	Bid Price (excluding H.S.T.)
N&M Excavating Inc.**	\$265,977.81
Queensway Excavating & Landscaping Ltd.	\$276,903.06*
Roadworx Construction Inc.**	\$312,150.00
Supco Construction Ltd.	\$327,757.50*
1938211 Ontario Inc. o/a Prestige Excavation	\$382,383.75
Aqua Tech Solutions Inc.	\$559,919.06

*Pursuant to the Request for Quotation document the contract award value is based on the number of backhoes specified in the submission and includes contingency.

**Supplier was found non-compliant with mandatory requirements.

Table 3: Summary of Bids received including bid price (Part B)

Supplier Name	Bid Price (excluding H.S.T.)
Queensway Excavating & Landscaping Ltd.	\$289,389.06*
Cipparrone Construction Limited**	\$304,788.46
Supco Construction Ltd.	\$369,377.50*
1938211 Ontario Inc. o/a Prestige Excavation	\$377,181.25
Aqua Tech Solutions Inc.	\$604,140.31

*Pursuant to the Request for Quotation document the contract award value is based on the number of backhoes specified in the submission and includes contingency.

**Supplier was found non-compliant with mandatory requirements.

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 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

Geneviève Sharkey
Chief Procurement Officer