



BID AWARD PANEL CONTRACT AWARD

Award of Doc4528941885 to OJCR Construction Ltd. and Utility Force Construction Inc. for Replacement or Repairs of Sewer Service Connections, Catchbasins and Appurtenances for Toronto Water

Date: June 27, 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 Tender Doc4528941885, Contract Number 24TW-DC-307OCS (Part A) and 24TW-DC-308OCS (Part B)

Description:

Replacement or Repairs of Sewer Service Connections, Catchbasins and Appurtenances for various locations within the City of Toronto for Toronto Water – Part A (Service Area A) for Toronto, East York and Scarborough Districts (24TW-DC-307OCS) and Part B (Service Area B) for North York and Etobicoke Districts (24TW-DC-308OCS) from October 1, 2024 to September 30, 2025, with the option to extend the agreement for up to one (1) additional separate one (1) year period at the sole discretion of the City and subject to budget approval.

Should the option period 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 Suppliers:

OJCR Construction Ltd. (Part A)
Utility Force Construction Inc. (Part B)

Contract Award Value:

Part A – OJCR Construction Ltd.

\$4,054,180 net of all applicable taxes and charges

\$4,581,223 including all applicable taxes and charges

\$4,125,534 net of HST recoveries

Contract is expected to start on October 1, 2024 and end September 30, 2025.

Option Period 1 (October 1, 2025 to September 30, 2026)

\$4,175,805 net of all applicable taxes and charges

\$4,718,660 including all applicable taxes and charges

\$4,249,300 net of HST recoveries

The total potential contract award including all option is \$8,229,985 net of all taxes and charges and \$9,299,884 including all applicable taxes and charges. **The total potential cost to the City including all option periods is \$8,374,833 net of HST recoveries.**

Part B – Utility Force Construction Inc.

\$5,305,960 net of all applicable taxes and charges

\$5,995,735 including all applicable taxes and charges

\$5,399,345 net of HST recoveries

Contract is expected to start on October 1, 2024 and end September 30, 2025.

Option Period 1 (October 1, 2025 to September 30, 2026)

\$5,465,139 net of all applicable taxes and charges

\$6,175,607 including all applicable taxes and charges

\$5,561,325 net of HST recoveries

The total potential contract award including all option periods is \$10,771,099 net of all taxes and charges and \$12,171,342 including all applicable taxes and charges. **The total potential cost to the City including all option periods is \$10,960,670 net of HST recoveries.**

The combined total potential contract award including option period is \$19,001,084 net of all taxes and charges and \$21,471,225 including all applicable taxes and charges. **The total potential cost to the City including all option periods is \$19,335,503 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 \$19,001,084 net of all taxes and charges and \$21,471,225 including all applicable taxes and charges. The total potential cost to the City including all option periods is \$19,335,503 net of HST recoveries.

The engineering estimates for Part A is \$4,377,175 and for Part B is \$5,802,800 for a project total of \$10,179,975 net of all taxes and charges.

Funding for the initial contract period is available in the 2024 Capital Budget and 2025-2033 Capital Plan for Toronto Water. Should the option period be exercised, appropriate additional funding will be included in -the 2025 Capital Budget and 2026-2034 Capital Plan Submission for Toronto Water.

Funding details are summarized in Table 1 as follows:

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

Dates	Cost Centre/ WBS Element		Total (net of HST recoveries)
	Part A (24TW-DC-307OCS): CWW465-06-237 Sewer Rehab – 2008 Program	Part B (24TW-DC-308OCS): CWW465-06-238 Sewer Rehab – 2008 Program	
October 1, 2024 to December 31, 2024	\$990,128	\$1,295,843	\$2,285,971
January 1, 2025 to September 30, 2025	\$3,135,405	\$4,103,502	\$7,238,907
Option Period: October 1, 2025 to September 30, 2026	\$4,249,300	\$5,561,325	\$9,810,625
Total (net of HST recoveries)	\$8,374,833	\$10,960,670	\$19,335,503

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

SOLICITATION SUMMARY

Solicitation Issued: April 25, 2024
Number of Addenda Issued: None
Number of Bids: Three (3)

Solicitation Closed: May 24, 2024

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

Supplier Name	Bid Price (excluding H.S.T.)
OJCR Construction Ltd.	\$3,704,180*
Utility Force Construction Inc.	\$3,735,220
614128 Ontario Ltd. O/A Trisan Construction	\$6,290,985

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

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

Supplier Name	Bid Price (excluding H.S.T.)
OJCR Construction Ltd.	\$4,833,690
Utility Force Construction Inc.	\$4,855,960*
614128 Ontario Ltd. O/A Trisan Construction	\$8,295,760

*Pursuant to the Request for Tender document the contract award value includes contingency and no one Supplier will be awarded both parts.

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