



BID AWARD PANEL CONTRACT AWARD

Award of Doc4562891214 to Utility Force Construction Inc. for Repair of Water Systems and Appurtenances for Various Locations Within the City of Toronto for Toronto Water

Date: July 11, 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 Doc4562891214, Contract Number 24TW-DC-305OCS (Service Area 1) and 24TW-DC-306OCS (Service Area 2)

Description:

Repair of Water System and Appurtenances for Various Locations within the City of Toronto for Toronto Water – Part A (Service Area 1) for Wards: 10, 11, 13, 14, 15, 16, 19, 20, 21, 22, 23, 24, and 25 (24TW-DC-305OCS) and Part B (Service Area 2) for Wards: 1, 2, 3, 4, 5, 6, 7, 8, 9, 12, 17, and 18 (24TW-DC-306OCS) from date of award to June 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 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:

Service Area 1

Utility Force Construction Inc.

Service Area 2

Utility Force Construction Inc.

Contract Award Value:

Service Area 1 – Utility Force Construction Inc.

\$2,270,900 net of all applicable taxes and charges

\$2,566,117 including all applicable taxes and charges

\$2,310,868 net of HST recoveries

Contract is expected to start on date of award and end June 30, 2025.

Option Period 1 (July 1, 2025 to June 30, 2026)

\$2,339,027 net of all applicable taxes and charges

\$2,643,101 including all applicable taxes and charges

\$2,380,194 net of HST recoveries

The total potential contract award including all option periods for Utility Force Construction Inc. is \$4,609,927 net of all taxes and charges and \$5,209,218 including all applicable taxes and charges. **The total potential cost to the City for Utility Force Construction Inc. including all option periods is \$4,691,062 net of HST recoveries.**

Service Area 2 – Utility Force Construction Inc.

\$1,846,850 net of all applicable taxes and charges

\$2,086,941 including all applicable taxes and charges

\$1,879,355 net of HST recoveries

Contract is expected to start on date of award and end June 30, 2025.

Option Period 1 (July 1, 2025 to June 30, 2026)

\$1,902,255 net of all applicable taxes and charges

\$2,149,548 including all applicable taxes and charges

\$1,935,735 net of HST recoveries

The total potential contract award including all option periods for Utility Force Construction Inc. is \$3,749,105 net of all taxes and charges and \$4,236,489 including all applicable taxes and charges. **The total potential cost to the City for Utility Force Construction Inc. including all option periods is \$3,815,090 net of HST recoveries.**

The total potential contract award including option period for all awards is \$8,359,032 net of all taxes and charges and \$9,445,707 including all applicable taxes and charges. **The total potential cost to the City including all option periods for all awards is \$8,506,151 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 \$8,359,032 net of all taxes and charges and \$9,445,707 including all applicable taxes and charges. The total potential cost to the City including all option periods is \$8,506,151 net of HST recoveries.

Funding for the initial contract period is available in the 2024 Operating Budget for Toronto Water and funding will be included its 2025-2026 Operating Budget Submissions for the initial contract period and the optional period, should it be exercised. Additional 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)
	Service Area 1 (24TW-DC-305OCS): TW2020 Construction Services TESC C/E 4424	Service Area 2 (24TW-DC-306OCS): TW2020 Construction Services NYEY C/E 4424	
Date of Award to December 31, 2024	\$1,155,434	\$939,677	\$2,095,111
January 1, 2025 to June 30, 2025	\$1,155,434	\$939,678	\$2,095,112
Option Period: July 1, 2025 to June 30, 2026	\$2,380,194	\$1,935,735	\$4,315,929
Total (net of HST recoveries)	\$4,691,062	\$3,815,090	\$8,506,152

The Chief Financial Officer and Treasurer has reviewed this report and agrees with the information as presented in the Financial Impact Section.

SOLICITATION SUMMARY

Solicitation Issued: May 10, 2024 **Solicitation Closed:** June 11, 2024

Number of Addenda Issued: One (1)

Number of Bids: 8 (eight)

Table 2: Summary of Bids received including bid price (Service Area 1):

Supplier Name	Bid Price (excluding H.S.T.)
Utility Force Construction Inc.	\$1,895,900*
614128 Ontario Ltd. o/a Trisan Construction	\$1,922,900
Finch Paving (1993) Inc.	\$1,942,900
OJCR Construction Ltd.	\$1,964,900

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

Table 3: Summary of Bids received including bid price (Service Area 2)

Supplier Name	Bid Price (excluding H.S.T.)
Utility Force Construction Inc.	\$1,546,850*
614128 Ontario Ltd. o/a Trisan Construction	\$1,579,850
Finch Paving (1993) Inc.	\$1,586,100
OJCR Construction Ltd.	\$1,606,350

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

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