



BID AWARD PANEL CONTRACT AWARD

Award of Doc4564680301 to Utility Force Construction Inc. and OJCR Construction Ltd. for Repair of Sewer 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 Doc4564680301, Contract Number 24TW-DC-303OCS (Service Area 1) and 24TW-DC-304OCS (Service Area 2)

Description:

Repair of Sewer Systems and Appurtenances for Various Locations within the City of Toronto for Toronto Water – Service Area A for Toronto, East York and Scarborough Districts (24TW-DC-303OCS) and Service Area B for North York and Etobicoke Districts (24TW-DC-304OCS) 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 Suppliers:

Service Area 1

Utility Force Construction Inc.

Service Area 2

OJCR Construction Ltd.

Contract Award Value:

Service Area 1 – Utility Force Construction Inc.

\$6,240,360 net of all applicable taxes and charges

\$7,051,607 including all applicable taxes and charges

\$6,350,190 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)

\$6,427,571 net of all applicable taxes and charges

\$7,263,155 including all applicable taxes and charges

\$6,540,696 net of HST recoveries

The total potential contract award including all option periods for Utility Construction Inc. is \$12,667,931 net of all taxes and charges and \$14,314,762 including all applicable taxes and charges. **The total potential cost to the City for Utility Force Construction Inc. including all option periods is \$12,890,886 net of HST recoveries.**

Service Area 2 – OJCR Construction Ltd.

\$5,724,120 net of all applicable taxes and charges

\$6,468,256 including all applicable taxes and charges

\$5,824,865 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)

\$5,895,844 net of all applicable taxes and charges

\$6,662,303 including all applicable taxes and charges

\$5,999,611 net of HST recoveries

The total potential contract award including all option periods for OJCR Construction Ltd. is \$11,619,964 net of all taxes and charges and \$13,130,559 including all applicable taxes and charges. **The total potential cost to the City for OJCR Construction Ltd. including all option periods is \$11,824,476 net of HST recoveries.**

The combined total potential contract award including option period is \$24,287,894 net of all taxes and charges and \$27,445,321 including all applicable taxes and charges. **The total potential cost to the City including all option periods for all awards is \$24,715,361 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 \$24,827,894 net of all applicable taxes and charges and \$27,445,321 including all applicable taxes and charges. The total potential cost to the City including all option periods is \$24,715,361 net of HST recoveries.

The engineering estimates for Service Area 1 is \$7,017,300 and for Service Area 2 is \$6,013,350 for a project total of \$13,030,650 net of all taxes and charges.

Funding for the initial contract period is available in the 2024 Approved Capital Budget and 2025-2033 Capital Plan for Toronto Water. Should the option period be exercised, appropriate additional funding will be included in future year Capital Budget Submissions 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)
	Service Area 1 (24TW-DC-303OCS): CWW465-06-239 Construction Services TESC	Service Area 2 (24TW-DC-304OCS): CWW465-06-240 Construction Services NYEY	
Date of Award to December 31, 2024	\$3,175,095	\$2,912,432	\$6,087,527
January 1, 2025 to June 30, 2025	\$3,175,095	\$2,912,433	\$6,087,528
Option Period: July 1, 2025 to June 30, 2026	\$6,540,696	\$5,999,610	\$12,540,306
Total (net of HST recoveries)	\$12,890,886	\$11,824,475	\$24,715,361

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

SOLICITATION SUMMARY

Solicitation Issued: May 10, 2024
Number of Addenda Issued: None
Number of Bids: 7 (seven)

Solicitation Closed: June 6, 2024

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

Supplier Name	Bid Price (excluding H.S.T.)
Utility Force Construction Inc.	\$5,200,300*
OJCR Construction Ltd.	\$5,339,300
614128 Ontario Ltd. o/a Trisan Construction	\$5,536,675

*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.	\$4,660,600*
OJCR Construction Ltd.	\$4,770,100*
Finch Paving (1993) Inc.	\$4,793,350
614128 Ontario Ltd. o/a Trisan Construction	\$5,313,350

*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