



## BID AWARD PANEL CONTRACT AWARD

### **Award of Doc4534603939 to Furcon Environmental Incorporated and The BearStar Group Inc. for Hazardous Materials and Construction Services of City of Toronto Buildings and Properties for Corporate Real Estate Management**

**Date:** December 5, 2024  
**To:** Bid Award Panel  
**From:** Chief Procurement Officer  
**Wards:** All

#### **RECOMMENDATIONS**

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

**Solicitation Number:**  
Request for Proposals Doc4534603939

**Description:**  
For the provision of Hazardous Materials and Designated Substances Abatement and Construction Services of City of Toronto Buildings and Properties, for an initial contract period of three (3) years from date of award, with option in favour of the City to extend agreement on the same terms and conditions for an additional term of up to two (2) one (1)-year periods.

Should the option(s) be exercised, then the Executive Director of Corporate Real Estate Management will request the Chief Procurement Officer to process the renewals under the same terms and conditions.

**Recommended Suppliers:**  
Furcon Environmental Incorporated (Primary)  
The BearStar Group Inc. (Secondary)

**Contract Award Value:**  
**Furcon Environmental Incorporated (Primary Supplier)**  
\$3,000,000 net of all applicable taxes and charges  
\$3,390,000 including HST and all applicable charges  
**\$3,052,800 net of HST recoveries**

**Contract is expected to start from January 1, 2025 and end on December 31, 2027**

Option Year 1 (January 1, 2028, to December 31, 2028)  
\$1,030,000 net of all applicable taxes and charges  
\$1,163,900 including HST and all applicable charges  
\$1,048,128 net of HST recoveries

Option Year 2 (January 1, 2029, to December 31, 2029)  
\$1,060,900 net of all applicable taxes and charges  
\$1,198,817 including HST and all applicable charges  
\$1,079,572 net of HST recoveries

The total potential award to Furcon Environmental Incorporated, including option years, is \$5,090,900 net of all applicable taxes and charges, \$5,752,717 including HST and all applicable charges. **The total potential cost to the City, including option years, for Furcon Environmental Incorporated is \$5,180,500 net of HST recoveries.**

**The BearStar Group Inc. (Secondary Supplier)**  
\$3,000,000 net of all applicable taxes and charges  
\$3,390,000 including HST and all applicable charges  
**\$3,052,800 net of HST recoveries**

**Contract is expected to start from January 1, 2025 and end on December 31, 2027**

Option Year 1 (January 1, 2028, to December 31, 2028)  
\$1,030,000 net of all applicable taxes and charges  
\$1,163,900 including HST and all applicable charges  
\$1,048,128 net of HST recoveries

Option Year 2 (January 1, 2029, to December 31, 2029)  
\$1,060,900 net of all applicable taxes and charges  
\$1,198,817 including HST and all applicable charges  
\$1,079,572 net of HST recoveries

The total potential award to The BearStar Group Inc., including option years, is \$5,090,900 net of all applicable taxes and charges, \$5,752,717 including HST and all applicable charges. **The total potential cost to the City, including option years, for The BearStar Group Inc. is \$5,180,500 net of HST recoveries.**

The total potential contract award identified in this report for both Suppliers, including option years, is \$10,181,800 net of all applicable taxes and charges, and \$11,505,434 including HST and all applicable charges. **The total potential cost to the City, including option years, for all awards is \$10,361,000 net of HST recoveries.**

The above cost calculations reflect a three (3) percent Consumer Price Index adjustment applied to the option years after the initial contract period.

## FINANCIAL IMPACT

The total potential contract award identified in this report for both Suppliers, including option years, is \$10,181,800 net of all applicable taxes and charges, and \$11,505,434 including all applicable taxes and charges. The total potential cost to the City, including option years, for all awards is \$10,361,000 net of HST recoveries.

Funding has been requested in the 2025-2034 Capital Budget and Plan Submission for Corporate Real Estate Management. Additional funding details follow in Table 1.

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

|                                                                                            | Initial Contract Period       |                               |                               | Option Year 1                | Option Year 2               | Total               |
|--------------------------------------------------------------------------------------------|-------------------------------|-------------------------------|-------------------------------|------------------------------|-----------------------------|---------------------|
|                                                                                            | Jan. 1, 2025 to Dec. 31, 2025 | Jan. 1, 2026 to Dec. 31, 2026 | Jan. 1, 2027 to Dec. 31, 2027 | Jan 1., 2028 to Dec 31. 2028 | Jan 1. 2029 to Dec 31, 2029 |                     |
| Project Management Office (WBS Element CCA245)                                             | \$785,170                     | \$785,170                     | \$785,170                     | \$997,500                    | \$803,750                   | 4,156,760           |
| Project Management Office<br>Approx. 1% of Overall Capital Plan (SOG & Renovation Budgets) | \$1,250,030                   | \$1,250,030                   | \$1,250,030                   | \$1,098,756                  | \$1,355,394                 | 6,204,240           |
| <b>TOTAL FUNDING</b>                                                                       | <b>\$2,035,200</b>            | <b>\$2,035,200</b>            | <b>\$2,035,200</b>            | <b>\$2,096,256</b>           | <b>\$2,159,144</b>          | <b>\$10,361,000</b> |

The Chief Financial Officer and Treasurer has been advised of the financial impacts associated with this program to be considered along with other priorities in future budget processes.

## SOLICITATION SUMMARY

**Solicitation Issued:** June 13, 2024

**Solicitation Closed:** July 12, 2024

**Number of Addenda Issued:** Three (3)

**Number of Bids:** Six (6)

Table 2: Summary of Bids Received:

|                                   |
|-----------------------------------|
| Supplier Name                     |
| Environmental Response Team Inc.* |
| Furcon Environmental Inc.         |

|                                   |
|-----------------------------------|
| Inflector Environmental Services* |
| JMX Environmental Inc.*           |
| The BearStar Group Inc.           |
| Tri-Phase Environmental Inc.*     |

\*Suppliers did not achieve the minimum technical score and were not considered for the pricing stage.

## **DIVISION CONTACTS**

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Sara Reid, Project Manager, Project Management Office, Corporate Real Estate Management, Telephone: 647-618-6721, Email: [Sara.Reid@toronto.ca](mailto:Sara.Reid@toronto.ca)

## **COMMENTS**

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For the recommended contract award, the following requirements have been met:

a. the firm recommended for award is the Supplier with the lowest bid meeting specifications or 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**

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Geneviève Sharkey  
Chief Procurement Officer