

Award of Doc4871235686 to Clearway Construction Inc. for the Basement Flooding Protection Program, Phase 4

Date: February 10, 2025

To: General Government Committee

From: Chief Engineer and Executive Director, Engineering and Construction Services and Chief Procurement Officer, Purchasing and Materials Management

Wards: Ward 19 (Beaches-East York)

SUMMARY

The purpose of this report is to advise of the results of the Request for Tender Doc4871235686, Contract 23ECS-LU-03FP, for Construction Services for Basement Flooding Protection Program, Phase 4 Assignment 1-01C and to request the authority to enter into an agreement with Clearway Construction Inc., in the amount of \$33,698,607 net of all applicable taxes and charges (\$34,291,702 net of HST recoveries), For a period of 22 months from the date that the written Order to Commence Work is issued by the City, all in accordance with the terms, conditions and specifications contained in the Request for Tender documents.

RECOMMENDATIONS

The Chief Engineer and Executive Director, Engineering and Construction Services and the Chief Procurement Officer recommend that:

1. The General Government Committee, in accordance with Section 195-8.4 of the Toronto Municipal Code Chapter 195 (Procurement By-Law), grant authority to award and enter into an agreement with Clearway Construction Inc., having submitted the lowest compliant bid and meeting requirements of Request for Tender Doc4871235686, to provide Construction Services for Assignments 1-01C, under the Basement Flooding Protection Program Phase 4, in the amount of \$33,698,607 net of all applicable taxes and charges (\$34,291,702 net of HST recoveries).

FINANCIAL IMPACT

The total value of the contract award is \$33,698,607, net of all applicable taxes and charges. The total cost to the City is \$34,291,702, net of HST recoveries.

Funding is available through the 2025 Capital Budgets and -2026-2034 Capital Plans for Toronto Water and Transportation Services. Additional funding details follow in Table 1.

Table 1 - Approved Cash Flow for Contract Number 23ECS-LU-03FP

WBS Element/ Description	2025	2026	2027	Total (Net of HST Recoveries)
CWW421-17-35 Basement Flooding Relief - Group 4 (Construction)	\$11,000,000	\$12,000,000	\$5,588,925	\$28,588,925
CPW542-27-50 2022- 2024 Watermain Replacement	\$90,000	\$1,500,000	\$496,416	\$2,086,416
CPW544-23-56 2022 Water Service Replacement - SOGR	\$670,000	\$1,200,000	\$593,271	\$2,463,271
CTP315-07-651 Local Road Rehabilitation	\$35,000	\$760,491	\$0	\$795,491
CTP717-58-259 RSP LGSI and SCPEA	\$10,000	\$217,128	\$0	\$227,128
CTP315-09-796 General Pooled Contingency	\$0	\$0	\$130,471	\$130,471
Total (Net of HST Recoveries)	\$11,805,000	\$15,677,619	\$6,809,083	\$34,291,702

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

DECISION HISTORY

At its meetings on September 24, 2008, and September 21, 2011, Council adopted criteria to prioritize and sequence Basement Flooding Protection Program (BFPP) projects, identified through completed studies, to protect the greatest number of properties as soon as possible. This directive includes working within approved budgets and additional appropriate funding opportunities and working in coordination with other

capital projects and population growth needs. The corresponding staff reports can be found here:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2008.EX23.16>

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2011.PW7.6>

At its meeting on November 25 and 26, 2020, Council adopted an amended threshold per benefitting property for BFPP projects at the preliminary design phase, and directed projects identified through completed Basement Flooding studies to proceed to detailed design and construction, if the cost per benefitting property, as determined during the preliminary design phase, is less than the amended threshold. The corresponding staff reports can be found here:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2020.IE17.5>

At its meeting on December 15-17, 2021, Council adopted the 2022 Rate Supported Budgets - 2022 Water and Wastewater Consumption Rates and Service Fees. In support, a Briefing Note titled "2022 Capital Budget Briefing Note - Basement Flooding Protection Program - Program Status Update and Project List: 2022 to 2026", contains the updated planned schedule for engineering design and construction of infrastructure upgrades supporting Toronto Water's Basement Flooding Protection Program. The Council adopted item and supporting Briefing Note can be found here:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2021.EX28.6>

<https://www.toronto.ca/legdocs/mmis/2021/ex/bgrd/backgroundfile-173775.pdf>

At its meeting on August 20, 2020, the Bid Award Panel adopted the Award of Ariba Doc2368070887 to The Municipal Infrastructure Group Ltd. for DDCA10 Detailed Design and Construction Administration Engineering Services for Assignments under the Basement Flooding Protection Program Phase 4 for Engineering and Construction Services Division. The Bid Award Panel consideration can be found here:

<https://secure.toronto.ca/council/agenda-item.do?item=2020.BA98.5>

COMMENTS

Background

Since May 2000, the City has experienced multiple extreme storm events that resulted in the flooding of more than 14,000 homes, erosion in ravines and watercourses, and damage to City infrastructure. Following the August 2005 extreme storm event, which exceeded the 100-year design storm intensity in areas north of Highway 401, Council established the Basement Flooding Protection Program (BFPP). This Program was initially focused on areas impacted by the May 2000 and August 2005 storm, however, was extended City-wide in 2013 to address the basement flooding impacts associated with the extreme storm event on July 8, 2013.

BFPP consists of three main components:

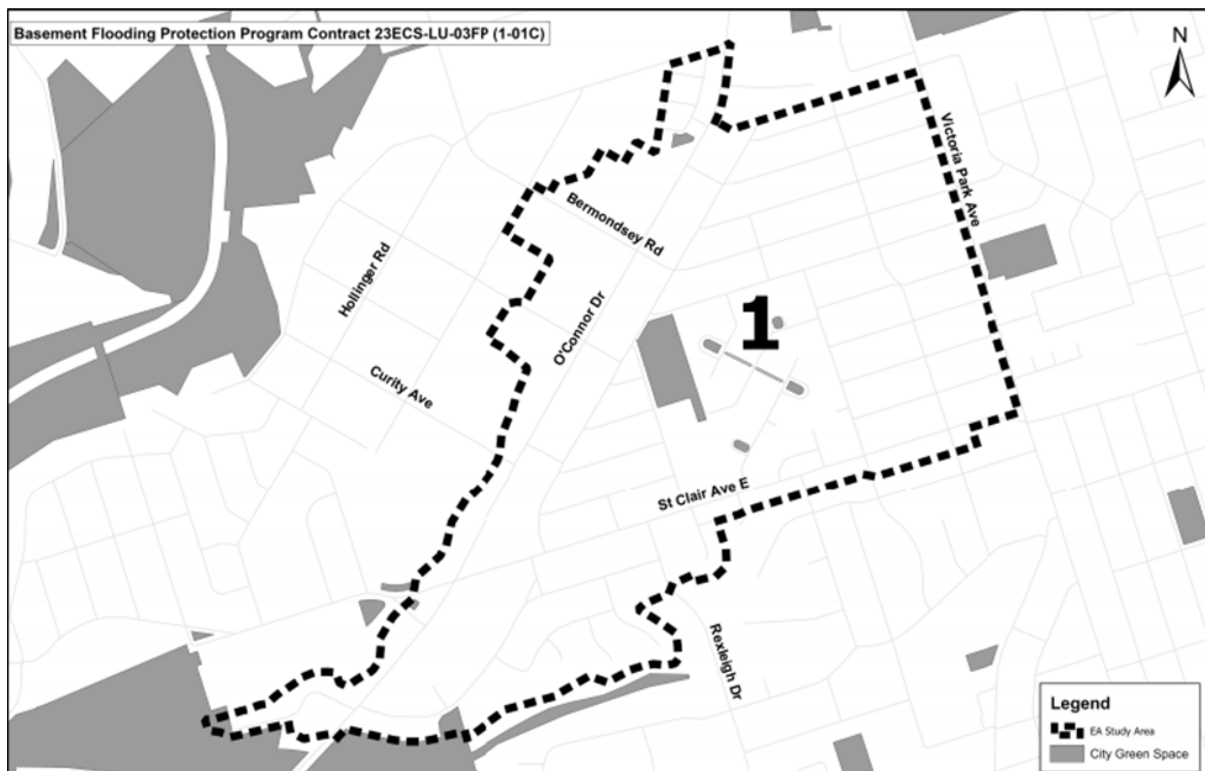
- Infrastructure improvements, established through Environmental Assessment (EA) studies in a defined drainage area, to reduce the risks of urban flooding.
- A Basement Flooding Protection Subsidy Program, which promotes and provides financial subsidies for the installation of backwater valves, foundation drain modifications and sump pumps; and
- An education and outreach strategy to advise homeowners of the causes of and solutions to basement flooding.

As part of the infrastructure improvements, 67 BFPP Study Areas have been identified across the entire City. As of December 2024, EA studies have been completed for all 67 basement flooding study areas.

Basement Flooding Protection Program Study Areas 1

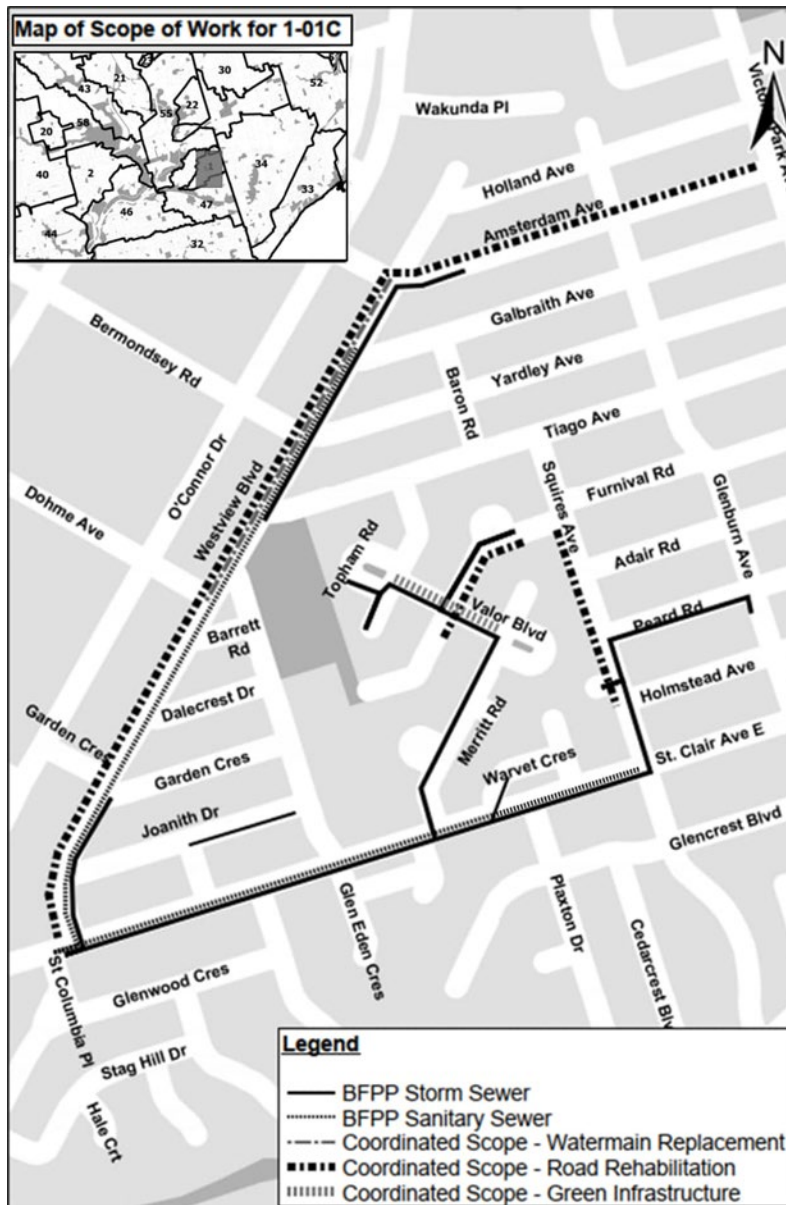
The EA for BFPP Study Area 1 is bounded by Northline Road to the north, Ferris Road to the south, Cranfield Road to the west, and Victoria Park Avenue to the east, as shown in Figure 1. Assignment 1-01C is the final of three components that make up Assignment 1-01, a hydraulically connected project that was identified by the EA for BFPP Study Area 1. The EA Study for BFPP Study Area 1 was completed in 2014. The detailed design associated with the infrastructure upgrades identified in these EA studies was completed in 2024.

Figure 1: Environmental Assessment Study Area 1.



The locations of system upgrades associated with this report are presented in Figure 2 for Assignment 1-01C.

Figure 2: Scope of Work in Study Area 1 (Assignment 1-01C)



A summary of the system upgrades associated with the contract recommended in this report include:

1. Sanitary sewer upgrades at the following locations:
 - St Clair Avenue East (from Squires Avenue to St Columba Place)
 - Westview Boulevard (from Galbraith Avenue to St. Clair Avenue East)

2. Storm sewer upgrades at the following locations:
 - Amsterdam Avenue (from Westview Boulevard to #24 Amsterdam Avenue)
 - Furnival Road (from #43 Furnival Road to Valor Boulevard)
 - Joanith Drive (from Selwyn Avenue to Hodder Street)
 - Merritt Road (from Valor Boulevard to St. Clair Avenue East)
 - Peard Rodd (from Glenburn Avenue to Squires Avenue)
 - Squires Avenue (from St. Clair Avenue East to Peard Road)
 - St. Clair Avenue East (from Squires Avenue to St. Columba Place)
 - Topham Road (from Topham Road cul-du-sac to Valor Boulevard)
 - Valor Boulevard (from #16 Topham Road to Merritt Road)
 - Westview Boulevard (from St. Clair Avenue East to Garden Crescent)
 - Westview Boulevard (from Tiago Avenue to Amsterdam Avenue)
3. Green infrastructure along:
 - Valor Boulevard
4. Intersection improvements at the following locations:
 - Westview Boulevard & Galbraith Avenue
 - Westview Boulevard & Tiago Avenue
 - Westview Boulevard & Selwyn Avenue
5. Watermain replacement at the following locations:
 - Westview Boulevard (from Dohme Avenue to Amsterdam Avenue)
6. Local road resurfacing at the following locations:
 - Westview Boulevard (from St. Clair Avenue East to Amsterdam Avenue)
 - Squires Avenue (from Peard Road to Furnival Road)
 - Amsterdam Avenue (from Westview Boulevard to Victoria Park Avenue)
 - Furnival Road (from Valour Boulevard to #36 Furnival Road)

The construction for these assignments is expected to commence in Spring 2025 and extend through to Summer 2027. The work has been separated into four phases and the contractor will only be permitted to work on one phase at a time to minimize disruption and manage traffic congestion through the area. Work on St. Clair Avenue East will be carried out first in Phase 1.

The working days for each phase have been minimized in the contract and an acceleration incentive has been included to encourage early completion of Phase 1 work on St. Clair Avenue East. This approach aims to enhance contractor performance while maintaining safety standards, improving project timelines, and reducing the overall impact of Phase 1 construction.

Community engagement is an important aspect of this project. The local residents and the general public will be kept informed through various means including construction notices delivered directly to homes and businesses, onsite signage, an e-newsletter, and a dedicated project website. A Public Information meeting was also held on November 21, 2024, where project details were shared with the local residents.

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Procurement Process

A Request for Tender Doc4871235686, Contract Number 23ECS-LU-03FP, for construction services for Assignment 1-01C under BFPP Phase 4, was issued by Purchasing and Materials Management Division and was advertised on both the City and Ariba Discovery websites on December 6, 2024, with a closing date of January 21, 2025 and an issuance of ten (10) Addenda. A total of six (6) Suppliers submitted their bid as listed in Table 2 below.

Table 2: Summary of Bids Received including Bid Price

Supplier Name	Bid Price Excluding HST
Clearway Construction Inc.	\$29,172,701.50*
614128 Ontario Ltd. O/A Trisan Construction	\$31,820,906.43
Memme Excavation Company Limited	\$32,477,355.99
GIP Paving Inc.	\$37,944,777.00
Varcon Construction Corporation	\$41,228,476.98
Drainstar Contracting Ltd.	\$45,564,600.50

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

The submissions received from the six (6) Suppliers that responded to the Request for Tender Doc4871235686, Contract Number 23ECS-LU-03FP, were reviewed for compliance by staff from Purchasing and Materials Management Division and Engineering and Construction Services. All six (6) Suppliers were found to be in conformance with the Tender requirements. The recommended lowest Supplier meeting requirements of the solicitation for Contract Number 23ECS-LU-03FP is Clearway Construction Inc.

Engineering and Construction Services staff compared the bids to the engineering estimate of \$32,717,073 excluding all taxes and charges. The bid price of the recommended supplier is in the amount of \$33,698,607 excluding all taxes and charges and is higher than the engineering estimate by approximately three (3) percent.

The Fair Wage Office has reported that the recommended supplier has indicated that they have reviewed and understand the Fair Wage Policy and Labour Trades requirements and the recommended supplier has agreed to comply fully.

The Tender submission from Clearway Construction Inc. for Request for Tender Doc4871235686, Contract Number 23ECS-LU-03FP, includes their agreement to complete the works within a period of 437 working days from the date of the issuance of the written Order to Commence.

CONTACT

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SIGNATURE

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