

Award of Doc5060162215 to GHD Limited and R.V. Anderson Associates Limited for Coordinated Toronto Water and Transportation Services Program Assignments

Date: June 26, 2025

To: General Government Committee

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

Wards: All

SUMMARY

The purpose of this report is to advise of the results of the Request for Proposal Doc5060162215, Contract Numbers R-25ECSWA-LU-C3-01SU and R-25ECSWA-LU-C3-02SU, for professional engineering services associated with program management, preliminary and detailed design, construction administration and post construction services, to support the delivery of Toronto Water and Transportation Services 2027 to 2029 Capital Program, and request the authority to enter into agreements with GHD Limited, for Program Management Assignment PM9A in the amount of \$37,935,074, net of all applicable taxes and charges, (\$38,602,731 net of HST recoveries) and R.V. Anderson Associates Limited, for Program Management Assignment PM9B, in the amount of \$35,672,241, net of all applicable taxes and charges, (\$36,300,073 net of HST recoveries), for a combined total of \$73,607,315 net of all applicable taxes and charges (\$74,902,804 net of HST recoveries).

RECOMMENDATIONS

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

1. The General Government Committee, in accordance with Section 195-8.4A of the Toronto Municipal Code Chapter 195 (Purchasing By-Law), grant authority to the Chief Engineer and Executive Director, Engineering and Construction Services to enter into an agreement with GHD Limited, being one of two successful Suppliers meeting the requirements Doc5060162215 to provide professional engineering services for program management, preliminary and detailed design, construction administration and post construction services under Program Management Assignment PM9A to support Toronto Water and Transportation Services 2027 to 2029 Capital Program at various locations across the City of Toronto, in the

total amount of \$37,935,074, net of all applicable taxes and charges, (\$38,602,731 net of HST recoveries) as follows:

- a) Program Management services for a period of six (6) years, in an amount not to exceed \$5,524,066 net of all applicable taxes and charges, including labour, disbursements, provisional allowances and contingency amount.
- b) Engineering services for preliminary design, detailed design and during construction, in an amount not to exceed \$31,647,540 net of all applicable taxes and charges, including labour, disbursements, provisional allowances, and contingency amount; and
- c) Post construction services, in an amount not to exceed \$763,468 net of all applicable taxes and charges, including labour, disbursements, provisional allowances and contingency amount.

All in accordance with the terms and conditions as set out in the Request for Proposal and any other terms and conditions satisfactory to the Chief Engineer and Executive Director, Engineering and Construction Services, and in a form satisfactory to the City Solicitor.

2. The General Government Committee, in accordance with Section 195-8.4A of the Toronto Municipal Code Chapter 195 (Purchasing By-Law), grant authority to the Chief Engineer and Executive Director, Engineering and Construction Services to enter into an agreement with R.V. Anderson Associates Limited, being one of two successful Suppliers meeting the requirements of Doc5060162215 to provide professional engineering services for program management, preliminary and detailed design, construction administration and post construction services under Program Management Assignment PM9B to support Toronto Water and Transportation Services 2027 to 2029 Capital Program at various locations across the City of Toronto, in the total amount of \$35,672,241, net of all taxes (\$36,300,073 net of HST recoveries) respectively, including disbursements, provisional allowances and contingencies as follows:

- a) Program Management services for a period of six (6) years, in an amount not to exceed \$4,475,372 net of all applicable taxes and charges, including labour, disbursements, provisional allowances and contingency amount.
- b) Engineering services for preliminary design, detailed design and during construction, in an amount not to exceed \$30,445,569 net of all applicable taxes and charges, including labour, disbursements, provisional allowances, and contingency amount.
- c) Post construction services, in an amount not to exceed \$751,300 net of all applicable taxes and charges, including labour, disbursements, provisional allowances and contingency amount.

All in accordance with the terms and conditions as set out in the Request for Proposal and any other terms and conditions satisfactory to the Chief Engineer and Executive Director, Engineering and Construction Services, and in a form satisfactory to the City Solicitor.

FINANCIAL IMPACT

The total value of both contract awards is \$73,607,315 net of all applicable taxes and charges and \$83,176,266 including HST and applicable charges. The total cost to the City for both contract awards is \$74,902,804 net of HST recoveries.

The awarded amount to GHD Limited for Program Management Assignment PM9A is \$38,602,731 net of HST recoveries. Funding is included in Toronto Water's 2025 Capital Budget and 2026-2034 Capital Plan, as well as in the Transportation Services' 2025-2034 Capital Budget and Plan with forecasted expenditures as shown below in Table 1 (net of HST recoveries).

Table 1 - Program Management Assignment PM9A - Forecasted Expenditures for GHD Limited (in \$s)

Account	2025	2026	2027	2028	2029	2030	2031	Total (net of HST Recoveries)
CPW545-15-01 Program Management (net of HST Recoveries)	200,000	1,670,211	5,041,532	4,891,119	3,198,696	163,000	214,770	15,379,328
CWW470-10-01 Program Management (net of HST Recoveries)	200,000	1,814,951	5,378,617	5,430,837	3,427,283	177,000	232,251	16,660,938
CTP424-01-06 (Green Streets Improvement) (net of HST recoveries)	63,371	80,118	270,841	276,133	183,969	11,555	10,465	896,453
CTP315-07-680 (Local Road Rehab.) (net of HST Recoveries)	131,595	166,372	562,425	573,413	382,027	23,994	21,732	1,861,559

Account	2025	2026	2027	2028	2029	2030	2031	Total (net of HST Recoveries)
CTP717-58-267 (RSP LGSi and SCPEA)(net of HST Recoveries)	58,777	74,310	251,208	256,116	170,633	10,717	9,707	831,469
CTP419-01-142 (RSP Missing Link Sidewalk) (net of HST Recoveries)	5,215	6,594	22,290	22,726	15,141	951	861	73,779
CTP315-06-593 (Major Roads Rehab) (net of HST Recoveries)	94,789	119,838	405,117	413,032	275,176	17,283	15,654	1,340,890
CTP817-05-432 (Cycling Infrastructure) (net of HST Recoveries)	102,295	129,328	437,199	445,741	296,968	18,652	16,893	1,447,077
CTP315-05-159 (Laneways) (net of HST Recoveries)	7,864	9,942	33,608	34,265	22,828	1,434	1,299	111,238
Total (net of HST Recoveries)	863,906	4,071,664	12,402,837	12,343,382	7,972,721	424,586	523,632	38,602,731

The awarded amount to R.V. Anderson Associates Limited for Program Management Assignment PM9B is \$36,300,073 net of HST recoveries. Funding is included in Toronto Water's 2025 Capital Budget and 2026-2034 Capital Plan, as well as in the Transportation Services' 2025-2034 Capital Budget and Plan, with forecasted expenditures as shown below in Table 2 (net of HST recoveries).

Table 2 - Program Management Assignment PM9B - Forecasted Expenditures for R. V. Anderson Associates Limited (in \$s)

Account	2025	2026	2027	2028	2029	2030	2031	Total (net of HST Recoveries)
CPW545-15-02 Program Management (net of HST Recoveries)	200,000	1,612,905	4,786,931	4,621,879	2,985,147	149,788	105,299	14,461,949
CWW470-10-02 Program Management (net of HST Recoveries)	200,000	1,752,869	5,102,798	5,139,161	3,195,939	162,270	114,074	15,667,111
CTP424-01-07 (Green Streets Improvement) (net of HST recoveries)	63,733	76,657	255,880	260,319	171,522	8,731	6,138	842,980
CTP315-07-681 (Local Road Rehabilitation) (net of HST Recoveries)	132,347	159,185	531,356	540,573	356,179	18,131	12,746	1,750,517
CTP717-58-268 (RSP LGSi and SCPEA)(net of HST Recoveries)	59,113	71,100	237,332	241,448	159,088	8,098	5,693	781,872
CTP419-01-143 (RSP Missing Link Sidewalk)(net of HST Recoveries)	5,245	6,309	21,059	21,424	14,116	719	505	69,377

Account	2025	2026	2027	2028	2029	2030	2031	Total (net of HST Recoveries)
CTP315-06-594 (Major Roads Rehabilitation) (net of HST Recoveries)	95,330	114,661	382,739	389,378	256,557	13,060	9,181	1,260,906
CTP817-05-433 (Cycling Infrastructure) (net of HST Recoveries)	102,879	123,742	413,048	420,213	276,875	14,094	9,908	1,360,759
CTP315-05-160 (Laneways) (net of HST Recoveries)	7,908	9,512	31,751	32,302	21,284	1,083	762	104,602
Total (net of HST Recoveries)	866,555	3,926,940	11,762,894	11,666,697	7,436,707	375,974	264,306	36,300,073

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

DECISION HISTORY

On July 20, 2022, the City entered into a Master Agreement with AECOM Canada Limited, Aquafor Beech Limited, GHD Limited, R.V. Anderson Limited, and WSP Canada Incorporated to participate in Request for Proposal's, Request for Quotation's, or informal Request for Quotation's that fall under the scope of roster Category 3: Linear Underground Infrastructure Programs (water, sewer, watermain infrastructure): Program Management, Design, Services During Construction and Post Construction Services of Request for Supplier Qualifications, Doc3279961432 for the Provision of Professional Engineering and Architectural Consulting Services for Engineering and Construction Services. These Suppliers were the highest overall technical scoring Suppliers, meeting the requirements of the Request for Supplier Qualifications Doc3279961432. The Bid Award panel report for Request for Supplier Qualifications Doc3279961432 can be found through the following link: [2022-07-20 Decisions - Bid Award Panel](#)

COMMENTS

Background

Toronto Water's state of good repair capital budget typically includes the replacement of approximately 35 to 50 km of watermain and over 3,000 substandard water services each year. The Standalone Watermain Replacement Program is coordinated with Transportation Services' Capital Program such that permanent restoration of the watermain-related excavations will also incorporate, as directed by Transportation Services, repairs of curbs, sidewalks, utility cuts, paving, and traffic signal works. For the years 2027 to 2029, the capital construction value of the coordinated Program is expected to be between \$60 million and \$80 million annually.

To support the delivery of the 2027 to 2029 Program, two Program Management Assignments (PM9A and PM9B, respectively) have been structured to provide the necessary contracted professional engineering services for program management, preliminary and detailed design, contract administration, on-site construction supervision and site inspections, as well as post-construction services. This program management approach has been used successfully to support the delivery of Toronto Water's coordinated Standalone Watermain Replacement Program since 2013.

Each Program Management Assignment represents a similar scope and value of capital work. Each Assignment supports the delivery of a Capital Program valued at an estimated \$30 million to \$40 million annually. Fees for professional services provided through these Program Management Assignments are based on a percentage of the value of the construction contracts managed by these Assignments. The subject of this report is the contract awards associated with Program Management Assignments PM9A and PM9B, respectively.

Award of Doc5060162215

A Request for Proposal Doc5060162215, was issued to select two qualified Suppliers for the award of Program Management Assignments PM9A and PM9B, respectively. The Request for Proposal was prepared by Engineering and Construction Services in consultation with Toronto Water and Transportation Services, and in conjunction with Purchasing and Materials Management, to provide professional engineering services to support the delivery of Toronto Water's coordinated 2024 to 2026 Standalone Watermain Replacement Program.

The Request for Proposal was issued in Ariba on March 7, 2025, with a closing date of April 10, 2025 and an issuance of six (6) addenda. Only the Suppliers pre-qualified under roster Category 3: Linear Underground Infrastructure Programs (water, sewer, watermain infrastructure): Program Management, Design, Services During Construction and Post Construction Services of Request for Supplier Qualifications Doc3279961432 were invited and permitted to bid on this Request for Proposal. This resulted in a total of three (3) proposals being received from the following firms:

1. GHD Limited
2. R.V. Anderson Associates Limited
3. Aecom Canada ULC

The Request for Proposal was structured as a "two-envelope" process and the submissions included a detailed Technical Proposal (Envelope 1) and a separate sealed envelope with a Cost of Services Proposal (Envelope 2). The selection process stipulated that the Cost of Services Proposals would not be opened until the evaluation of the Technical Proposals had been completed.

A formal selection committee, comprising of four (4) members from Engineering and Construction Services, evaluated each of the three (3) technical proposals based on the criteria set out in the Request for Proposal. A maximum of 75 points were allocated for the Technical Proposal and 25 points for the Cost of Services Proposal. A minimum threshold technical score of 75 percent was required to proceed in having the Cost of Services Proposal opened and evaluated.

All three (3) firms complied with the mandatory submission requirements and their Technical Proposals were evaluated. Of the three (3) firms, the evaluation team found two (2) firms successfully passed the Technical Proposal requirements which allowed their cost of services submission to be opened. The cost proposals were scored and added to the technical scores resulting in overall scores for GHD Limited and R.V. Anderson Associates Limited of 88.82 and 97.20 respectively. The hourly labour rates provided in the cost proposals were identical to the rates provided in the roster Category 3: Linear Underground Infrastructure Programs (water, sewer, watermain infrastructure): Program Management, design, services during construction and post construction services of Request for Supplier Qualification, Doc3279961432. The contract award values for both Program Management Assignments (PM9A and PM9B) are reasonable when compared to recently awarded engineering assignments associated with the delivery of watermain projects and are less than the pre-procurement estimates. If requested, the Suppliers' scores and staff analysis of the evaluation results can be provided to Councillors in an in-camera presentation.

On completion of the process, the proposal from R.V. Anderson Associates Limited was ranked first with the highest overall point score followed by GHD Limited, having the second highest overall point score. Consequently, pursuant to the terms of the Request for Proposal, GHD Limited has been recommended for award of Program Management Assignment PM9A, and R.V. Anderson Associates Limited has been recommended for award of Assignment PM9B.

Three Purchase Orders will be issued for each program assignment to GHD Limited and RV Anderson Associates Limited. The first Purchase Order will cover the program management services, including but not limited to, preparing and monitoring a detailed work plan for the data gathering, design, construction, and post construction delivery of the Project and managing any issues. The second Purchase Order, will cover services during the design and construction phase, namely pre-design and detailed design services, including all aspects necessary to prepare a comprehensive and tender document as defined in the Terms of Reference, as well as, services pertaining to and during the tendering and award of the contract, general contract administration and site supervision and inspection services during construction, from issuance of the Order to Commence Work up to completion of the construction contract. The third Purchase Order is for the post-construction phase. This Purchase Order, covering the preparation of Record Drawings, inspections and reporting during the two years of the Guaranteed Maintenance period, including closing of the project.

The Fair Wage Office has reported that the recommended Supplier has indicated it has reviewed and understands the Fair Wage Policy and Labour Trades requirements and has agreed to comply fully with both.

CONTACT

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SIGNATURE

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