

Amendment to Purchase Order 6051950 with WSP Canada Inc. for Engineering Services for the Rehabilitation and Upgrades of Eight Group Seven Sewage Pumping Stations at Various Locations

Date: March 23, 2026

To: General Government Committee

From: General Manager, Toronto Water and the Chief Procurement Officer

Wards: 1 (Etobicoke North), 2 (Etobicoke Centre), 3 (Etobicoke-Lakeshore), 13 (Toronto Centre), 16 (Don Valley East) and 19 (Beaches - East York)

SUMMARY

This report is seeking authority to amend Purchase Order 6051950 issued to WSP Canada Inc., for work awarded through Request for Proposal Number 9117-18-7018 for Engineering Services for the Rehabilitation and Upgrade of Eight (8) Group Seven (7) Sewage Pumping Stations across Toronto.

This amendment is required due to the requested scope delivery change. The original scope anticipated a single construction contract with a two-year duration. Construction services included comprehensive project management, contract administration, engineering support, and full-time inspection services for all eight stations and associated detention tanks. During the design and tender phase, the City directed that the work be divided into four (4) smaller and more manageable construction contracts instead of one (1) large contract. This approach helps mitigate risks related to operational requirements, agency approvals, budget constraints, and design considerations. However, this change requires additional contract administration and full-time site inspection services and reduces some economies of scale.

After a thorough review of the remaining work, the construction and post-construction services for Contracts 3 and 4 were removed from scope. The removed work for construction and post-construction services for these contracts will either be issued later as a separate assignment to allow for competitive bidding and to better align with the outcomes of the design activities or be carried out by City staff. Activities related to Contracts 1 and 2 remain unchanged.

The total value of the requested amendment for Purchase Order 6051950 is \$1,764,477 net of all applicable taxes and charges (\$1,795,532 net of HST recoveries), revising the Amendment to Purchase Order 6051950 with WSP Canada Inc. Group Seven SPS Rehabilitation and Upgrades

current value of Purchase Order 6051950 from \$3,180,416 net of all applicable taxes and charges (\$3,236,392 net of HST recoveries) to \$4,944,893 net of all applicable taxes and charges (\$5,031,924 net of HST recoveries).

RECOMMENDATIONS

The General Manager Toronto Water and the Chief Procurement Officer recommend that:

1. The General Government Committee, in accordance with section 71-11.1C of the City of Toronto Municipal Code Chapter 71 (Financial Control By-law), grant authority to the General Manager, Toronto Water to amend Purchase Order 6051950 issued to WSP Canada Inc. for additional contract administration and full-time site inspection services by increasing the overall value by \$1,764,477 net of all applicable taxes and charges (\$1,795,532 net of HST recoveries), revising the current Purchase Order value from \$3,180,416 net of all applicable taxes and charges (\$3,236,392 net of HST recoveries) to \$4,944,893 net of all applicable taxes and charges (\$5,031,924 net of HST recoveries).

FINANCIAL IMPACT

The total value of the requested amendment for Purchase Order 6051950 is \$1,764,477 net of all applicable taxes and charges (\$1,795,532 net of HST recoveries).

Funding is available in the 2026 Capital Budget and 2027 - 2035 Capital Plan for Toronto Water. Funding details are summarized in Table 1 below.

Table 1 - Financial Impact Summary (net of HST recoveries)

WBS Element	Description	2026	2027	2028	Total
CWW476-06	SPS Upgrades - Group 7	\$759,927	\$781,205	\$254,400	\$1,795,532

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

DECISION HISTORY

At its meeting on September 12, 2018, the Bid Award Panel adopted Item Number BA96.3, authorizing the award of Request for Proposal Number 9117-18-7018 to WSP Canada Group Limited for Professional Engineering Services for the Rehabilitation and Upgrade of Eight (8) Sewage Pumping Stations - Group 7) in the amount of \$3,501,725

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net of all applicable taxes and charges (\$3,563,355 net of HST recoveries). The Bid Award Panel decision can be found at:

<https://secure.toronto.ca/council/agenda-item.do?item=2018.BA96.3>

At its meeting on July 17, 2024, the Bid Award Panel adopted Item Number 2024.BA.88.4 authorizing the Award of Contract 22-TW-CTS-16CWD, Tender Call Doc4437742176 to Torbear Contracting Inc. for the Wet Well Structural Repairs of Sunnyside Sewage Pumping Station - Group 7 in the amount of \$1,556,086 net of applicable taxes and charges (\$1,583,474 net of HST recoveries). The Bid Award Panel decision can be found at:

<https://secure.toronto.ca/council/agenda-item.do?item=2024.BA88.4>

At its meeting on October 16, 2024, the General Government Committee adopted Item Number 2024.GG.17.6 authorizing the Award of Contract 22-TW-CTS-16CWD, Tender Call Doc4618961713 to Torbear Contracting Inc. for the Rehabilitation and Upgrades of two (2) Stormwater Pumping Stations - Group 7 in the amount of \$26,798,294 net all applicable taxes and charges (\$27,269,944 net of HST recoveries). The Bid Award Panel decision can be found at:

<https://secure.toronto.ca/council/agenda-item.do?item=2024.GG17.6>

COMMENTS

1. Sewage Pumping Station Upgrades

Sewage pumping stations (SPS) are critical components of the City's wastewater collection system. They ensure wastewater is effectively moved through the collection system and delivered to treatment facilities. A pumping station can also be known as a lift station, as it pumps wastewater from lower to higher elevations.

A pumping station collects and stores wastewater in an underground pit equipped with electrical instrumentation to detect the level of wastewater present. When the wastewater level rises to a predetermined level, a pump is activated to push the sewage through a pressurized pipe system (force mains) to other areas of the wastewater collection system and eventually to a wastewater treatment plant.

In 2018, the City retained WSP Canada Group Limited ("WSP") to provide engineering services related to the rehabilitation and upgrade of eight (8) sewage pumping stations referred to as Group 7. Stations included sewage pumping stations (SPS), stormwater pumping stations (SWPS) and detention tanks (DT). The eight stations included in Group 7 are: Bloor SWPS, Islington SWPS, Martin Grove SWPS, Roxborough SPS, Todmorden SPS, Hanlan's Point SPS, Kenilworth DT, and Maclean DT. The rehabilitation of these facilities includes civil, structural, process, mechanical, electrical, and instrumentation upgrades, as well as coordination with approval agencies and utility services at each station.

In 2024, the City executed agreements with Torbear Contracting Inc. for the wet well structural repairs at the Sunnyside SPS and for the rehabilitation and upgrades of two (2) stormwater pumping stations (i.e. Islington SWPS and Martin Grove SWPS).

In accordance with WSP’s contract for RFP 9117-18-7018 for the construction phase of the Group 7 SPS Rehabilitation and Upgrades Project, the original scope anticipated a single construction contract with a two-year duration. Construction services included comprehensive project management, contract administration, engineering support, and full-time inspection services for all eight stations and associated detention tanks.

During the design and tender phase, the City directed that the work be divided into four (4) smaller and more manageable construction contracts instead of one (1) large contract. This approach helps mitigate risks related to operational requirements, agency approvals, budget constraints, and design considerations. It also aligns with industry practices of segmenting large projects to better manage cost escalation and economic uncertainty. However, this change requires additional contract administration and full-time site inspection services and may reduce some economies of scale. The status of each contract is summarized in Table 2.

Table 2 - Group 7 Construction Contracts and Status

Contract	Stations	Duration	Status
1	Sunnyside SPS	6 Months	Construction completed
2	Martin Grove SWPS Islington SWPS	3 Years	Martin Grove SWPS started construction in November 2025 Islington SWPS is delayed due to conflicts with TTC at Islington subway station Construction expected to be completed by Q4 2028
3	Kenilworth DT MacLean DT	3 Years	Design completed Construction expected to start in 2027
4	Bloor SWPS Todmorden SPS Hanlan's Point SPS Roxborough SPS	3 Years	Design completed Construction expected to start in 2029

2. Amendment of Purchase Order 6051950 with WSP Canada Inc.

In 2018, Purchase Order 6047779 was issued to WSP Canada Group Limited for \$3,501,725 net of all applicable taxes and charges. After work commenced, a new Purchase Order 6051950 was issued to WSP Canada Inc. to reflect the amalgamation of WSP Canada Group Limited into WSP Canada Inc., with the value reduced by \$821,114 to \$2,680,611 net of all applicable taxes and charges to account for expenditures to date.

In 2022, the value of Purchase Order 6051950 was increased by \$300,000, increasing the total value from \$2,680,611 to \$2,980,611 net of all taxes and charges due to additional design requirements and the delivery date was also extended from December 31, 2025 to December 31, 2027.

In 2025 the value of Purchase Order 6051950 was increased by a further \$199,805, for additional design and tender preparation efforts, bringing the current total value to \$3,180,416 net of all taxes and charges and the delivery date was also extended from December 31, 2027 to December 31, 2028.

Following the City's direction, in January 2026, WSP originally requested an additional \$4,382,645 (net of all applicable taxes and charges) for construction services related to Contracts 2 and 3. These services include project management, contract administration, onsite inspection, and office engineering support required to ensure the contracts are executed in accordance with the project plans, specifications, and overall intent. The request does not include services for Contract 4, which is currently expected to begin construction in 2029.

WSP also requested a rate adjustment, using the Canadian Consumer Price Index (CPI) as a proxy for inflation. For work to be conducted in 2026 through 2029, WSP has proposed an annual rate increase of 2.8%.

In addition, WSP requested a provisional allowance to cover potential additional efforts arising from design changes, unforeseen site conditions, and increased coordination with approval agencies.

The project's original construction start date of July 2021 was later revised to January 2025 due to several factors. During inspections with project staff, numerous change orders and design enhancement requests were identified. Due to budget constraints, the City also faced challenges in prioritizing critical station rehabilitations which required programming the work over a longer period of time. As a result, some stations were tendered individually to align with budget constraints, which affected both project timelines and costs. Furthermore, significant increases in labour costs, driven by global events such as the COVID-19 pandemic, inflation, and supply chain disruptions, have contributed to unanticipated cost escalation. Table 3 provides a summary of the services per contract and the amount requested for each.

After a thorough review of the remaining work, the construction and post-construction services for Contracts 3 and 4 were removed from scope. As a result, the requested amendment for Purchase Order 6051950 is reduced to \$1,764,477, net of all applicable taxes and charges (\$1,795,532 net of HST recoveries).

The removed work will either be issued later as a separate assignment to allow for competitive bidding and to better align with the outcomes of the design activities or be carried out by City staff. Activities related to Contracts 1 and 2 remain unchanged.

Table 3 - Summary of Services Requested per Contract

Contract	Description and Duration	Amount
2	Construction Services from January 1, 2026 to December 31, 2027 (2 Years)	\$1,514,477
2	Provisional Allowance	\$250,000
Contract 2 Subtotal		\$1,764,477
3	Construction Services from January 1, 2027 to December 31, 2029 (3 Years)	\$2,368,168
3	Provisional Allowance	\$250,000
Contract 3 Subtotal		\$2,618,168
Total Request (Contracts 2 and 3)		\$4,382,645
Proposed Amendment Value (Contract 2 only)		\$1,764,477

CONTACT

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SIGNATURE

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