

Award of Doc5474040786 to Bennett Mechanical Installations (2001) Ltd. for Pumping Station Retrofit Western Beaches Tunnel – Phase 2 and Amendment to Purchase Order 6046087 and 6053027 to Stantec Consulting Ltd. for Services During Construction and Post-Construction Services

Date: July 7, 2026

To: General Government Committee

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

Wards: 4 (Parkdale – High Park), 10 (Spadina – Fort York)

SUMMARY

The purpose of this report is to advise of the results of Request for Tender Doc5474040786, Contract Number 23ECS-MI-02DC, for construction of Pumping Station Retrofit Western Beaches Tunnel – Phase 2 785 to 1725 Lake Shore Boulevard West and to request authority to award the contract to Bennett Mechanical Installations (2001) Ltd., all in accordance with the terms, conditions and specifications contained in the Request for Tender documents in the amount of \$52,172,618 net of all applicable taxes and charges (\$53,090,856 net of Harmonized Sales Tax recoveries).

Authority is also being requested to amend two consulting Purchase Orders issued to Stantec Consulting Ltd., as follows:

- Purchase Order 6046087 for the provision of Services During Construction in the amount of \$4,974,258 net of all applicable taxes and charges (\$5,061,805 net of Harmonized Sales Tax recoveries) and extend the delivery date to July 31, 2029. This revises the current value from \$1,655,057 net of all applicable taxes and charges (\$1,684,186 net of Harmonized Sales Tax recoveries) to \$6,629,315 net of all applicable taxes and charges (\$6,745,991 net of Harmonized Sales Tax recoveries)
- Purchase Order 6053027 for the provision of Post-Construction Services in the amount of \$153,835 net of all applicable taxes and charges (\$156,543 net of Harmonized Sales Tax recoveries) and extend delivery date to April 30, 2031. This

revises the current value from \$113,499 net of all applicable taxes and charges (\$115,497 net of Harmonized Sales Tax recoveries) to \$267,334 net of all applicable taxes and charges (\$272,039 net of Harmonized Sales Tax recoveries).

The amendments are required to support Phase 2 of the project and provide additional engineering services during construction and post-construction resulting from the revised two-phase project delivery approach, as well as changes in the project's scope, complexity and duration.

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 195-8.4B of the Toronto Municipal Code Chapter 195 (Procurement By-Law), grant authority to the Chief Engineer and Executive Director of Engineering and Construction Services, to award and enter into an agreement with Bennett Mechanical Installations (2001) Ltd., having submitted the lowest compliant bid and meeting the requirements of Request for Tender Doc5474040786, Contract Number 23ECS-MI-02DC, for construction of Pumping Station Retrofit Western Beaches Tunnel – Phase 2 785 to 1725 Lake Shore Boulevard West, in the amount of \$52,172,618 net of all applicable taxes and charges (\$53,090,856 net of Harmonized Sales Tax recoveries).
2. 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 Chief Engineer and Executive Director of Engineering and Construction Services to amend Purchase Order 6046087 with Stantec Consulting Ltd., for the provision of Services During Construction in the amount of \$4,974,258 net of all applicable taxes and charges (\$5,061,805 net of Harmonized Sales Tax recoveries), revising the current Purchase Order value from \$1,655,057 net of all applicable taxes and charges to \$6,629,315 net of all applicable taxes and charges (\$6,745,991 net of Harmonized Sales Tax recoveries) and extend delivery date to July 31, 2029.
3. 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 Chief Engineer and Executive Director of Engineering and Construction Services to amend Purchase Order 6053027 with Stantec Consulting Ltd., for the provision of Post-Construction Services in the amount of \$153,835 net of all applicable taxes and charges (\$156,542 net of Harmonized Sales Tax recoveries), revising the current Purchase Order value from \$113,499 net of all applicable taxes and charges to \$267,334 net of all applicable taxes and charges (\$272,039 net of Harmonized Sales Tax recoveries) and extend delivery date to April 30, 2031.

FINANCIAL IMPACT

Award for Doc5474040786, Contract Number 23ECS-MI-02DC

The total value of the contract award is \$52,172,618 net of all applicable taxes and charges. The total cost to the City is \$53,090,856 including contingency and provisional allowances, and net of Harmonized Sales Tax recoveries.

Funding for this contract is available in Toronto Water's 2026 Capital Budget and 2027-2035 Capital Plan. Funding details with forecasted expenditures (net of Harmonized Sales Tax recoveries) are summarized in Table 1 below:

Table 1: Financial Impact Summary of Recommended Contract Award

WBS Element	2026	2027	2028	2029	2030	Total (net of Harmonized Sales Tax recoveries)
CWW457-01 (WWF)	\$1,000,000	\$14,000,000	\$22,000,000	\$16,090,856	\$0	\$53,090,856

Amendment to Purchase Order 6046087

The requested amendment value for Purchase Order 6046087 is \$4,974,258 net of all applicable taxes and charges (\$5,061,805 net of Harmonized Sales Tax recoveries).

Funding for this Purchase Order Amendment is available in Toronto Water's 2026 Capital Budget and 2027-2035 Capital Plan. Funding details with forecasted expenditures (net of Harmonized Sales Tax recoveries) are summarized in Table 2 below.

Amendment to Purchase Order 6053027

The requested amendment value for Purchase Order 6053027 is \$153,835 net of all applicable taxes and charges (\$156,543 net of Harmonized Sales Tax recoveries).

Funding for the requested Purchase Order Amendments is available in Toronto Water's 2026 Capital Budget and 2027-2035 Capital Plan. The combined total cost to the City is \$5,218,347 net of Harmonized Sales Tax recoveries. Funding details with forecasted expenditures (net of Harmonized Sales Tax recoveries) are summarized in Table 2.

Table 2: Financial Impact Summary of Purchase Order Amendments for Services During Construction and Post-Construction Services

WBS Element	2026	2027	2028	2029	2030	2031	Total (net of Harmonized Sales Tax recoveries)
CA: CWW457-01 (WWF)	\$100,000	\$1,500,000	\$2,000,000	\$1,461,805	\$0	\$0	\$5,061,805
PC: CWW457-01 (WWF)	\$0	\$0	\$0	\$60,000	\$96,542.43	\$0	\$156,542
Total (net of Harmonized Sales Tax recoveries)							\$5,218,347

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

DECISION HISTORY

On November 19, 2014, Request for Proposal 6717-14-7168 for the provision of Professional Engineering Services for the Design and Construction Related to Replacement of the Pumping System and Other Existing Equipment of the Western Beaches Tunnel, was awarded by the Bid Award Committee (Item 2014 BD208.1) to Stantec Consulting Ltd.

(<https://secure.toronto.ca/council/agenda-item.do?item=2014.BD208.1>)

On September 29, 2016, Engineering and Construction Services issued a Detailed Design Purchase Order Amendment to 6040785, due to additional scope, in the amount of \$405,152 (\$412,283 net of Harmonized Sales Tax recoveries), increasing the total value to \$1,850,863 net of all applicable taxes and charges (\$1,883,439 net of Harmonized Sales Tax recoveries).

On July 21, 2017, Engineering and Construction Services issued a Detailed Design Purchase Order Amendment to 6040785, due to additional scope, in the amount of \$92,996 (\$94,633 net of Harmonized Sales Tax recoveries), increasing the total value to \$1,943,859 net of all applicable taxes and charges (\$1,978,071 net of Harmonized Sales Tax recoveries). On November 5, 2020, the Infrastructure and Environment Committee (Item 2020 IE17.1) authorized a Services During Construction Purchase Order Amendment to 6046087, due to additional scope, in the amount of \$709,530 (\$722,018 net of Harmonized Sales Tax recoveries), increasing the total value to \$1,655,057 net of all applicable taxes and charges (\$1,684,186 net of Harmonized Sales Tax recoveries).

(<https://secure.toronto.ca/council/agenda-item.do?item=2020.IE17.1>)

On May 30, 2023, the General Government Committee (Item 2023 GG4.12) authorized a Detailed Design Purchase Order Amendment to 6040785, due to additional scope, in the amount of \$377,853 (\$384,503 net of Harmonized Sales Tax recoveries), increasing the total value to \$2,321,712 net of all applicable taxes and charges (\$2,362,574 net of Harmonized Sales Tax recoveries). (<https://secure.toronto.ca/council/agenda-item.do?item=2023.GG4.12>)

COMMENTS

Background

The Western Beaches Tunnel system was originally constructed in the late 1990's and was one of the first of several city-wide projects constructed to address the City's future Wet Weather Flow Master Plan (<https://www.toronto.ca/wp-content/uploads/2023/07/9033-2023-Wet-Weather-Flow-Master-Plan-Implementation-Update-with-Attachment-1.pdf>).

The Western Beaches Tunnel system has an 85,000 cubic meters storage capacity which is used to collect and treat stormwater and combined sewer overflow. The system consists of the following main components:

- A 3-metre diameter and 3.6-kilometre-long tunnel predominantly running along and under existing waterfront parkland from Sunnyside Park (Parkside Drive) to Inukshuk Park (Strachan Avenue).
- Three main shafts (25 m diameter and 30 to 45 m in depth) and six drop shafts (1 to 2m diameter and 30 to 45 m in depth).
- Nine sewer outfalls including nine lake water isolation chambers and ten sewer interception chambers.
- A pumping station with ultra-violet (UV) disinfection to discharge disinfected flows to the lake and non-disinfected flows to the Ashbridge's Bay Treatment Plant for treatment.

Since construction, the system has experienced significant operational difficulties due mainly to an incorrectly designed pumping system and sediment management system. To address these issues, the City pursued legal action against the design-build team and reached successful resolution in late 2016 via a settlement in the City's favour. (<https://secure.toronto.ca/council/agenda-item.do?item=2012.PW16.10>)

To correct the noted operational issues, Request for Proposal (RFP) 6717-14-7168 was issued on August 8, 2014 and the required design upgrades were tendered via Tender 35-2018 which was issued on February 16, 2018. The RFP and Tender envisioned that the entire work scope would be completed as one design and tender package as it was planned that all works would be constructed within a single construction contract.

The bid prices submitted under Tender 35-2018 significantly exceeded the City's available budget. A City decision was made to divide the project into the following two construction phases:

- Phase 1 – Construction of required upgrades to nine lake water isolation chambers and ten sewer interception chambers. This construction work was tendered on December 21, 2018 via Tender 292-2018 and was completed on July 31, 2023.
- Phase 2 – Construction of all remaining upgrades to the pumping, sediment management and UV disinfection systems and related process and instrumentation systems. This work was tendered on December 30, 2025, as Tender Doc5474040786, Contract Number 23ECS-MI-02DC Pumping Station Retrofit Western Beaches Tunnel – Phase 2 785 to 1725 Lake Shore Boulevard West and is the subject of this award report.

Due to the revised two-stage project delivery approach, separate construction and post-construction periods are now required. Therefore, in addition to requesting authorization to award the Phase 2 tender contract, this staff report also requests authorization for Purchase Order Amendments with Stantec Consulting Ltd.'s Services During Construction and Post-Construction Services in subsequent sections.

Award for Doc5474040786, Contract Number 23ECS-MI-02DC

Request for Tender Doc5474040786, Contract Number 23ECS-MI-02DC, for construction of Pumping Station Retrofit Western Beaches Tunnel – Phase 2 785 to 1725 Lake Shore Boulevard West was issued by Purchasing and Materials Management Division and advertised on both the City's and Ariba Discovery websites on December 30, 2025, with a closing date of April 10, 2026, and issuance of 11 Addenda. A total of three (3) Suppliers responded as listed in Table 3:

Table 3: Summary of Bids Received including Bid Price

Suppliers	Bid Price excluding Harmonized Sales Tax
Bennett Mechanical Installations (2001) Ltd.	\$45,987,000.00*
Torbear Contracting Inc.**	\$52,386,225.00
Clearway Construction Inc.	\$53,955,691.37

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

**Supplier was found to be non-compliant.

The bids were reviewed for compliance by staff from Purchasing and Materials Management Division and the Engineering and Construction Services Division and were found to be in conformance with the Tender requirements with the exception of one supplier as noted in Table 3. The recommended lowest compliant bid meeting requirements for Contract Number 23ECS-MI-02DC is Bennett Mechanical Installations (2001) Ltd.

The Engineering and Construction Services Division staff compared the bid to the engineering estimate. The bid price of the recommended Supplier is in the amount of \$45,987,000 net of all applicable taxes and charges and is approximately 3 percent lower than the engineering estimate of \$47,337,687.

A contingency allowance has been added to the proposed contract award for additional work and/or services which may be required to address any unforeseen conditions and restrictions which may arise during construction. This contingency is deemed necessary to address the significant risks associated with the need for construction work to be carried out at 25m to 50m depths below-ground and below-lake-level in the Western Beaches tunnel and shafts which cannot be fully isolated from flooding due to high flow wet weather events.

The Tender submission from Bennett Mechanical Installations (2001) Ltd., for Doc5474040786, includes their agreement to complete the works within 143 weeks from the date that the written order to commence work is issued by the City.

A single Purchase Order will be issued to Bennett Mechanical Installations (2001) Ltd., for Doc5474040786 in the amount of \$52,172,618 net of all applicable taxes and charges.

The Fair Wage Office reported that the recommended Supplier, Bennett Mechanical Installations (2001) Ltd., indicated they have reviewed and understand the Fair Wage Policy and Labour Trades requirements and the recommended Supplier has agreed to comply fully.

Amendment to Purchase Orders 6046087 and 6053027 for Services During Construction and Post-Construction Services

In the original Request for Proposal, it was assumed that the design for the sewer chamber, shaft, tunnel and pump station upgrades would be completed under one design phase. Similarly, it was originally planned that all works would be tendered under a single contract.

The work scope is now being completed in two phases requiring two design drawing packages and two construction contracts. In addition to this revised two phase project delivery approach, significant work scope changes were also made including: upgrades to the SCADA process control, HVAC and electrical motor control centre systems; complete replacement (versus upgrades only in the original scope) of the UV disinfection system; use of dewatering and decant pumps from a different pump supplier than the original pump supplier; installation of new automated control gates for improved lake isolation and sewer overflow bypasses at the Battery Park and Budapest sites respectively; and fire safety upgrades in the pumping station to meet current Code requirements.

Consequently, the scope of Services During Construction and Post-Construction Services has significantly expanded from that in the original RFP and agreement.

The existing Purchase Orders with Stantec Consulting Ltd. for Services During Construction and Post-Construction Services need to be amended to adequately address the requirements of the two-phase project delivery approach and the added scope items.

1. Services During Construction Amendment – The Phase 2 construction period will require Stantec Consulting Ltd. to provide 33 months of additional Services During Construction. Stantec Consulting Ltd., submitted a quotation in the amount of \$4,974,258 net of all applicable taxes and charges to provide the required services. The quotation was reviewed by ECS staff and found to be in line with Phase 1 services and is reasonable for the scope and duration of the contract.

An amendment to Purchase Order 6046087 with Stantec Consulting Ltd., is requested in the amount of \$4,974,258 net of all applicable taxes and charges (\$5,061,805 net of Harmonized Sales Tax recoveries), revising the Purchase Order value from \$1,655,057 net of all applicable taxes and charges (\$1,684,186 net of Harmonized Sales Tax recoveries) to \$6,629,315 net of all applicable taxes and charges (\$6,745,991 net of Harmonized Sales Tax recoveries) and extending the Phase 2 Services During Construction delivery date to April 30, 2029.

2. Post-Construction Services Amendment – Phase 2 warranty period will require Stantec Consulting Ltd., to provide 24 months of additional post-construction warranty services.

An amendment to Purchase Order 6053027 with Stantec Consulting Ltd., is requested in the amount of \$153,835 net of all applicable taxes and charges (\$156,543 net of Harmonized Sales Tax recoveries), revising the Purchase Order value from \$113,499 net of all applicable taxes and charges (\$115,497 net of Harmonized Sales Tax recoveries) to \$267,334 net of all applicable taxes and charges (\$272,039 net of Harmonized Sales Tax recoveries) and extending the Phase 2 Post-Construction Services delivery date to April 30, 2031.

The amendments also include contingency allowances for each Purchase Order should any unknown additional work be required during the construction and warranty periods.

CONTACT

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SIGNATURE

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