

# TORONTO TRANSIT COMMISSION REPORT NO.

**MEETING DATE:** December 19, 2012

**SUBJECT:** PROCUREMENT AUTHORIZATION  
MISCELLANEOUS CONSTRUCTION SERVICES  
TRIENNIAL CONTRACT G60-210

## ACTION ITEM

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### RECOMMENDATION

It is recommended that the Commission authorize the award of Miscellaneous Construction Services Triennial contracts to the following four companies in the upset limit amounts of:

Bridgecon Construction Ltd. (Bridgecon)	\$ 7,500,000.00
The State Group Inc. (State)	7,500,000.00
Servocraft Limited (Servocraft)	7,500,000.00
Trist Construction Limited (Trist)	<u>7,500,000.00</u>
Total Upset Limit Amount	\$30,000,000.00

### FUNDING

Sufficient funds are included in the various project and program budgets in the TTC's 2012-2016 Capital Program, which was approved by City Council on January 17, 2012.

Authorization and payment for this work will be on a lump sum basis for individual work assignments and will be charged to the approved project budgets. No work will be initiated unless funds are available and the work assignment(s) is approved.

### BACKGROUND

During the wrap-up stage of construction contracts, the Commission typically deals with contract deficiencies and a number of additional minor requirements usually due to site conditions or requests from user departments. The Miscellaneous Construction Services contracts will expedite the completion of deficiency corrections and additional project work to enable the timely closeout of project activities and resumption of normal operating activities.

In addition, TTC's Capital Program includes small scale renewal type of projects within Bus Garage and Shops Facility Renewal, Building Facility Renewal and Subway Facility Renewal

and other programs in the approved 2012-2016 Capital Programs including:

- Architectural and structural - restoration and repair of concrete and masonry structures and miscellaneous renovation work at various facilities;
- Mechanical - repair and replacement of various types of equipment such as heaters, exhaust systems, duct work, air conditioning units, gas detection systems, etc.; and
- Electrical – upgrading and modifying lighting, emergency lighting, security systems, fire alarm systems and communication systems at various facilities and subway stations.

For these small scale renewal type of projects, it has proven beneficial to retain multiple qualified contractors and utilize their services to undertake the work. The benefits include quick turnaround time from design completion to the start of construction work and the familiarity the contractors gain with the Commission process and organization from having worked on multiple projects over a period of time. For large scale projects, contracts will continue to be tendered separately.

Previously, the Commission authorized award of Miscellaneous Construction Services contracts for the total upset limit amount of \$5,000,000.00 to two companies, The State Group Inc. (State) and Cosar GC.PM REN and Repairs Inc. (Cosar). The current contract expires on December 31, 2012 with Cosar and on June 31, 2013 with State. These Miscellaneous Construction Services contracts have proven to be effective by enabling staff to quickly acquire qualified construction services to undertake various small scale construction work and address project deficiencies on a timely basis. To date, forty small scale contracts have been issued and completed under the current contract.

The work shall be carried out on a Work Assignment basis with a maximum value of \$500,000.00, awarded on a competitive basis between all four contractors. Each of the successful contractors will be invited to submit a lump sum priced proposal for each of the work assignment requests.

## **DISCUSSION**

Specifications were prepared for Contract G60-210 and a Request for Bids was posted on the Commission's website and MERX website as of October 11, 2012. Twenty-nine companies requested or downloaded copies of the bid documents, out of which ten submitted a bid. (See attached Appendix A).

The recommendation for award is based on the lowest priced qualified bids. The Request for Bids document stated the Commission's intent to award up to four contracts with a total upset limit amount of \$30,000,000.00 for all of the anticipated work based on a preliminary

estimate of the total value of the work. The evaluation of the bids was based on meeting the pass/fail criteria regarding the corporate experience in multi-discipline construction projects for transit, industrial and commercial facilities in an operating environment. All bidders, with the exception of J.J. McGuire General Contractors Inc., met the pass/fail criteria. The pricing component of all qualified bidders was then evaluated, to determine the lowest total evaluated prices. The pricing calculation was based on utilizing estimated number of hours required for all various trades, proposed mark-up for products and other materials used for the work and proposed escalation factors in years 2 and 3 of the contract.

J.J. McGuire General Contractors Inc. failed to include the Bid Form in their submission and after consulting with the Legal Department, it was confirmed that in accordance with the Commission's Bid Irregularities policy their submission is non-compliant and automatically rejected.

Bridgecon submitted the lowest total evaluated priced bid and did not state any exceptions or qualifications. Bridgecon has satisfactorily completed work of a similar size and nature for the Commission in the past. Their bid is considered acceptable.

State submitted the second lowest total evaluated priced bid and also did not state any exceptions or qualifications. State has satisfactorily completed work of a similar size and nature for the Commission in the past. Their bid is considered acceptable.

Servocraft submitted the third lowest total evaluated priced bid and also did not state any exceptions or qualifications. Servocraft has satisfactorily completed work of a similar size and nature for the Commission in the past. Their bid is considered acceptable.

Trist submitted the fourth lowest total evaluated priced bid and also did not state any exceptions or qualifications. Trist has satisfactorily completed work of a similar size and nature for the Commission in the past. Their bid is considered acceptable.

**JUSTIFICATION**

The bids submitted by Bridgecon Construction Ltd., The State Group Inc., Servocraft Limited and Trist Construction Limited are the four lowest total evaluated priced bids.

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November 19, 2012  
50-101-61  
1186963  
Attachment

APPENDIX A

PROCUREMENT AUTHORIZATION  
MISCELLANEOUS CONSTRUCTION SERVICES TRIENNIAL  
CONTRACT G60-210

SUMMARY OF BIDS

<u>Company</u>	<u>Total Evaluated Price</u>
Bridgecon Construction Ltd.*	\$3,637,291.10
The State Group Inc.*	\$3,793,669.98
Servocraft Limited *	\$4,007,010.54
Trist Construction Limited *	\$4,613,404.78
Black & McDonald Limited	\$4,830,265.79
Dufferin Construction Company, a division of Holcim (Canada) Inc.	\$4,862,794.05
Compass Construction Resources Ltd.	\$5,149,261.42
Aquicon Construction Co. Ltd.	\$5,747,899.31
Vanguard Mechanical Inc.	\$5,895,283.77
J.J. McGuire General Contractors Inc.	Not evaluated

\* Recommended Company