

Item 8.1

Section I – Items for Board of Directors Action

TO: Chair and Members of the Board of Directors
Meeting #2/19, Friday, February 22, 2019

FROM: Nick Saccone, Senior Director, Restoration and Infrastructure

RE: **Construction Facilities Vendor of Record Extensions for 2019 Restoration and Infrastructure Projects**
Contract Numbers: 10006471-10006477

KEY ISSUE

Extension of seven (7) construction facilities Vendor of Record (VOR) Agreements from 2018 to December 31, 2019 and associated increases to the contract values, with a recommended 2% increase to unit rates for service-related supplies.

RECOMMENDATION

THAT Vendor of Record Contract #10006471 for Rental of Six Foot High Construction Fence, executed in January 2018, is extended to December 31, 2019 as per Section 3 of the agreement; and further that the value is increased by \$95,000 for a total cost not to exceed \$190,000 plus HST;

THAT Vendor of Record Contract #10006472 for Dyed Diesel Fuel Supply and Delivery, executed in January 2018, is extended to December 31, 2019 as per Section 3 of the agreement; and further that the value is increased by \$100,000 for a total cost not to exceed \$250,000 plus HST;

THAT Vendor of Record Contract #10006473 for Rental of Office Trailers and Storage Containers, executed in January 2018, is extended to December 31, 2019 as per Section 3 of the agreement; and further that the value is increased by \$40,000 for a total cost not to exceed \$110,000 plus HST;

THAT Vendor of Record Contract #10006474 for Rental of Steel Road Plates, executed in January 2018, is extended to December 31, 2019 as per Section 3 of the agreement; and further that the value is increased by \$40,000 for a total cost not to exceed \$105,000 plus HST;

THAT Vendor of Record Contract #10006476 for Rental of Site Toilets, executed in January 2018, is extended to December 31, 2019 as per Section 3 of the agreement; and further that the value is increased by \$50,000 for a total cost not to exceed \$130,000 plus HST;

THAT Vendor of Record Contract #10006475 for Street Sweeping and Flusher Truck Services, executed in January 2018, is extended to December 31, 2019 as per Section 3 of the agreement; and further that the value is increased by \$110,000 for a total cost not to exceed \$200,000 plus HST;

THAT Vendor of Record Contract #10006477 for Woody Debris Disposal, executed in January 2018, is extended to December 31, 2019 as per Section 3 of the agreement; and further that the value is increased by \$50,000 for a total cost not to exceed \$140,000 plus HST;

Item 8.1

AND FURTHER THAT the extensions of Vendor of Record Contract #10006475 for Street Sweeping and Flusher Truck Services, and Vendor of Record Contract #10006477 for Woody Debris Disposal, include a 2% price increase to unit rates to address increased labour rates;

AND FURTHER THAT authorized TRCA officials be directed to take all necessary actions to implement the foregoing, including the signing and execution of any documents.

BACKGROUND

TRCA implements numerous habitat restoration, engineering, and trail building projects throughout TRCA's jurisdiction. The implementation of these projects regularly require the provision of several construction-related supplies and services as outlined above.

In previous years, construction services staff would undertake multiple procurement processes to source the supplies and deliveries required for its various projects. To work more efficiently, TRCA established a Vendor of Record list for the seven contracts outlined below in 2018. As per Section 3 of the agreements, TRCA has the right to extend the term for an additional year, which is being recommended in this report.

Contract	Vendor
Contract# 10006471 Construction Fence	Modu-Loc
	Sunbelt Rentals of Canada
Contract# 10006472 Supply and Delivery of Dyed Diesel	Alpha Oil
	Canada Clean Fuels
Contract# 10006473 Storage Containers and Office Trailers	Mobile mini
	ATCO Structures & Logistics
Contract# 10006474 Steel Road Plates	Cos Shore
	Sunbelt Rentals of Canada
	Superior Disposal
Contract# 10006475 Street Sweeping and Flusher Truck Services	A&G The Road Cleaners
	Durham Power Services
	Centennial Construction and Equipment
Contract# 10006476 Portable Toilets	K. Winter Sanitation
	Chantler's Env. Services Ltd.
	Ampot Portable Toilets
	Remediation Worx Env. Services Inc.
Contract# 10006477 Disposal of Woody Debris	Miller Waste Systems Inc.
	Draglam Waste
	Kirby Waste Transfer Solutions
	Public Disposal and Recycling Inc.
	Superior Disposal

Item 8.1

RATIONALE

Staff recommend extending the existing VOR contracts by one year under the original terms and conditions of the agreements signed by each vendor. By doing so, TRCA holds the vendors to their original competitive rates, with exception of the proposed 2% increase to service-related supplies, which remain more competitively priced than procuring these services on a project basis. The extension of the agreements will also continue to assist with timely project delivery. Furthermore, extending the original contracts allows TRCA to maximize the benefit of the initial effort of creating the VOR, while maintaining competitive rates. A new VOR is intended to be in effect for January 1, 2020. This VOR refresh will be achieved through a competitive procurement process that will give new and previously unsuccessful suppliers a chance to be a part of the VOR. This approach to procurement will provide staff with stable pricing for these commonly purchased construction supplies and services for a full calendar year.

Each vendor was notified of TRCA's decision to extend their contracts with at least 30 days prior notice prior to the end of the original December 31, 2018 expiration date. All vendors agreed, with the exception of Cos Shore and ATCO Structures and Logistics who did not acknowledge the extension and will be removed from the 2019 VOR term. Vendors within each contract agreed to the extension, with unit rate increase requests being received from vendors within the two service-oriented contracts for street sweeping/flusher truck services and woody debris disposal services due to rising labour costs. Following detailed consideration of these requests, staff negotiated a 2% increase to the unit rates for these contracts, which staff feel is fair and reasonable.

Relationship to Building the Living City, the TRCA 2013-2022 Strategic Plan

This report supports the following strategies set forth in the TRCA 2013-2022 Strategic Plan:

Strategy 2 – Manage our regional water resources for current and future generations

The supplies and services outlined in this report are used to work in and near watercourses to mitigate flooding and erosion hazards, build waterfront parks as well as carry out a variety of habitat restoration projects.

Strategy 7 – Build partnerships and new business models

Many of the facilities procured under the VOR are used for assisting our municipal partners with a variety of environmentally sensitive projects.

FINANCIAL DETAILS

In order to continue to use these vendors which have agreed to the extended term, the contract values must increase to allow for an additional year of construction supplies and services.

The following table illustrates the expenditures for each supply/service per annum from 2015-2018 and projected expenses for 2019. The values for 2019 have been estimated based on previous year's expenditures with consideration of increases to rates for service contracts (street sweeping/flusher truck and woody debris disposal) as well as known project specific needs for 2019.

Item 8.1

Supplies/Services	Expenditures				
	2015	2016	2017	2018 (VOR)	2019 (Projected)
Rental of Six Foot High Construction Fence	\$54,745	\$52,565	\$94,880	\$70,863	\$95,000
Dyed Diesel Supply and Delivery	\$33,680	\$17,092	\$77,956	\$154,901	\$100,000
Rental of Steel Road Plates	\$20,000	\$19,977	\$44,449	\$7,323	\$40,000
Street Sweeping and Flusher Truck Services	\$15,216	\$2,442	\$31,342	\$47,247	\$110,000*
Rental of Site Toilets	\$47,779	\$39,988	\$67,626	\$27,408	\$50,000
Woody Debris Disposal Services	\$50,048	\$54,214	\$88,104	\$47,086	\$50,000

*Significant increase in expenditures for this contract expected in 2019 due to Lakeview Waterfront Connection Project, which will require street sweeping services at least 3 days a week for a minimum duration of 4 hours per day.

DETAILS OF WORK TO BE DONE

Implementation of numerous habitat restoration, engineering, and trail building projects throughout TRCA's jurisdiction throughout 2019, utilizing supplies and services contained within the seven VOR lists detailed herein.

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