

Section I – Items for Board of Directors Action

TO: Chair and Members of the Board of Directors
Meeting #3/20, Friday, April 24, 2020

FROM: Moranne McDonnell, Director, Restoration and Infrastructure

RE: **VENDOR OF RECORD FOR SUPPLY AND DELIVERY OF VARIOUS
EROSION AND SEDIMENT CONTROL MATERIALS – CONTRACT
EXTENSION**

KEY ISSUE

Extension of Contract No. 10020448 expiry date from May 6, 2020 to May 6, 2021.

RECOMMENDATION

WHEREAS Toronto and Region Conservation Authority (TRCA) is engaged in a variety of programs/projects that require the utilization of erosion and sediment control materials;

AND WHEREAS TRCA solicited proposals through a publicly advertised process and awarded Contract No. 10020448 to Armtec-Canada Culvert, Devron Sales Ltd., and Organic Express Inc. at Board of Directors Meeting RES.#A69/19;

AND WHEREAS staff are satisfied with the goods and services provided to date under the current contract;

THEREFORE, LET IT BE RESOLVED THAT TRCA staff be directed to exercise their contractual right to extend the Vendor of Record arrangement with Armtec-Canada Culvert, Devron Sales Ltd., and Organic Express Inc. for the supply and delivery of various erosion and sediment control materials for an additional year;

THAT Contract No. 10020448 for supply and delivery of various erosion and sediment control materials be extended at a total cost not to exceed \$472,200, plus applicable taxes, to be expended as authorized by TRCA staff;

THAT vendors may increase unit rates at the time of extension in accordance with the original contract terms;

THAT if a situation is present where the vendors of record are not available for a particular project, staff be authorized to follow the Procurement Policy to retain a vendor;

AND FURTHER THAT authorized TRCA officials be directed to take whatever action may be required to implement the vendor of record extension, including obtaining any necessary approvals and the signing and execution of any documents.

BACKGROUND

TRCA requires various materials for preventing erosion and sediment deposition in waterways adjacent to a variety of engineering, habitat restoration and trail building projects throughout TRCA's jurisdiction. Through a VOR arrangement for erosion and sediment control materials, vendors are authorized to provide these goods and services for a defined period of time and with fixed pricing. In accordance with the contract documents for the VOR arrangement, staff

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may issue Purchase Orders for any vendor on the list with the goods, expertise and experience required for their project or program requirements.

Furthermore, where the suppliers on the VOR list are not available for a particular project within the timelines required for TRCA to meet its deliverables, staff are authorized to procure the required goods and services following TRCA's Procurement Policy. Vendors are required to provide all resources required to service the divisional or program needs in accordance with applicable laws, codes, standards, terms and conditions of the vendor of record agreement.

At Board of Directors Meeting #4/19, held on April 26, 2019, Resolution #A69/19 was approved in part as follows:

THAT TRCA staff be directed to establish a Vendor of Record arrangement with Armtec-Canada Culvert, Devron Sales Ltd., and Organic Express Inc. for the supply and delivery of various erosion and sediment control materials for one (1) year with the option to extend for an additional year;

RATIONALE

On February 26, 2020 the Evaluation Committee for this contract conducted an annual review of the performance of vendors for Contract 10020448. The Committee recommended extending the current contract for an additional year with all vendors, as the value and quality of services delivered by the vendors under this contract was deemed satisfactory by TRCA staff.

Based on the daily expenditures during the term of the contract, the proposed extension period from May 6, 2020 to May 6, 2021 will require an increase in value of the contract by \$402,550. An additional \$8,050 is required for a potential increase of vendor unit rates by 2%, to account for Consumer Price Index (CPI) adjustments; plus \$61,600 to account for a projected increase in orders by 15% during the extension term, for a total value of \$472,200, plus applicable taxes.

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

Strategy 7 – Build partnerships and new business models

FINANCIAL DETAILS

The anticipated value of the extension of this contract is approximately \$472,200 plus applicable taxes. An increase or decrease in workload will have an impact on the value of this contract. All vendors on the VOR list understand both the potential cost and resource implications associated with changes in workload. The services will be provided on an "as required" basis with no minimum hours guaranteed.

Vendors may increase unit rates, to a maximum of the preceding year's [Ontario Consumer Price Index \(Toronto – All Items category\)](#) as published by Statistics Canada, at the time of extension. The most recent data published by Statistics Canada indicates a percentage change of +1.6 for the period of January 2019 – January 2020; which translates to a 1.6% increase in vendor unit rates across all material categories. The value increase being proposed for this contract extension assumes a 2% increase of unit rates at the time of extension (May 6, 2020) for all Vendors.

Funds for this contract are identified in a variety of capital and cost recoverable project accounts.

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