

Section I – Items for Board of Directors Action

TO: Chair and Members of the Executive Committee
Friday, February 5, 2021 Meeting

FROM: Anil Wijesooriya, Director, Restoration and Infrastructure

RE: **REQUEST FOR PROPOSAL FOR VENDORS OF RECORD FOR RENTAL OF OPERATED HEAVY CONSTRUCTION EQUIPMENT**
RFP No. 10035339

KEY ISSUE

Award of Request for Proposal (RFP) No. 10035339 for a Vendors of Record (VOR) arrangement for rental of operated heavy construction equipment from April 1, 2021 to March 31, 2023.

RECOMMENDATION

THE EXECUTIVE COMMITTEE RECOMMENDS THAT WHEREAS Toronto and Region Conservation Authority (TRCA) is engaged in a variety of programs/projects that require the utilization of operated heavy construction equipment;

AND WHEREAS TRCA solicited proposals through a publicly advertised process and evaluated the proposals based on the criteria outlined in this report;

THEREFORE, LET IT BE RESOLVED THAT Request for Proposal (RFP) No. 10035339 - Vendors of Record for Rental of Operated Heavy Construction Equipment be awarded to Dynex Construction Inc., Sartor Environmental Group Inc., TMI Contracting & Equipment Rentals Ltd. and Valefield Contracting Inc for two (2) years at a total cost not to exceed \$13,250,500.00, plus applicable taxes, to be expended as authorized by TRCA staff;

THAT TRCA staff be authorized to approve additional expenditures to a maximum of \$1,325,050.00 (approximately 10% of the anticipated expenditures), plus applicable taxes, in excess of the contract cost as a contingency allowance if deemed necessary;

THAT should TRCA staff be unable to negotiate a contract with the above-mentioned proponents, staff be authorized to enter into and conclude contract negotiations with other Proponents that submitted proposals, beginning with the next highest ranked Proponent meeting TRCA specifications;

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

BACKGROUND

TRCA requires operated heavy construction equipment rental for completing a variety of engineering, habitat restoration, and trail building projects throughout TRCA's jurisdiction. By establishing a VOR arrangement for the rental of operated heavy construction equipment, vendors are authorized to provide these services for a defined period of time and with fixed pricing.

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In accordance with the contract documents for this VOR arrangement, staff may contact a vendor on the list with the expertise and experience required for their project or program requirements with a value up to \$2,000,000 per project, per annum. Services above this threshold will be procured through a separate competition and are subject to TRCA's Procurement Policy. Vendors will provide all resources required to service the divisional or program needs in accordance with applicable laws, codes, standards, and terms and conditions of the VOR agreement.

The VOR arrangement will be subject to annual review in order to confirm that the vendors are providing an adequate level of service and to update any applicable insurance, certifications, or policies of the Vendors.

The term of this Vendors of Record arrangement is for two (2) years. TRCA has the option to extend for an additional two (2) years, pending further Board of Director and TRCA staff approvals at a later date.

RATIONALE

RFP documentation was posted on the public procurement website www.biddingo.com on November 30, 2020 and closed on December 21, 2020. A total of thirty-six (36) firms downloaded the documents and seven (7) proposals were received from the following Proponent(s):

- Dynex Construction Inc.
- Sartor Environmental Group Inc.
- Sierra Excavating Enterprises Inc.
- The Cannington Group Inc.
- TMI Contracting & Equipment Rentals Ltd.
- Trisan Construction
- Valefield Contracting Inc

The proposal from Sierra Excavating Enterprises Inc. did not meet the minimum score of 40 points for the technical portion of their proposal and was not evaluated further.

An Evaluation Committee comprised of senior staff from the Restoration & Infrastructure division reviewed the proposals on January 5, 2021. The criteria used to evaluate and select the recommended Proponents included the following:

Criteria	Maximum Score	Minimum Score
Proponent Information and Executive Summary	10	
Organizational Experience	30	
Equipment Stock and Operator Experience	20	
Sub-Total	60	40
Pricing	40	
Sub-Total	40	
Total Points	100	

The four (4) highest scoring Proponents demonstrated that their firms have the experience, personnel, equipment stock, and competitive pricing required to service the TRCA as Vendors on the Vendors of Record for Rental of Operated Heavy Construction Equipment. Therefore, it

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is recommended that contract No. 10035339 be awarded to Dynex Construction Inc., Sartor Environmental Group Inc., TMI Contracting & Equipment Rentals Ltd. and Valefield Contracting Inc. at a total cost not to exceed \$13,250,500.00, plus 10% contingency, plus applicable taxes over the initial two (2) year term.

Proponent's scores and staff analysis of the evaluation results can be provided in an in-camera presentation, upon request.

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

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

Strategy 7 – Build partnerships and new business models

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

FINANCIAL DETAILS

Based upon expenditures during the previous VOR contract (2019-2021) the anticipated value of the requested services under this contract is anticipated to be approximately \$13,250,500.00, plus applicable taxes for the two (2) year term.

Vendors may increase unit rates on a per annum basis, to a maximum of the preceding year's [Ontario Consumer Price Index \(Toronto – All Items category\)](#) as published by Statistics Canada. The value being proposed for this contract assumes a 2% increase of unit rates per annum for all Vendors.

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.

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

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