

MEETING DATE: OCTOBER 31, 2001

SUBJECT: Procurement Authorization – Snow Clearing Services To TTC Garages

RECOMMENDATION

It is recommended that the Commission approve the award of two contracts each for a three-year term commencing November 15, 2001 as follows:

1. Metro Sodding and Snow Removal for the primary contract, in the upset limit amount of \$710,000; and,
2. Industrial Property Services for the supplementary contract in the upset limit amount of \$18,500.

FUNDING

Sufficient funds are included in the 2001 TTC Operating Budget and will be included in future Operating Budgets.

BACKGROUND

The Commission previously had a three year contract with Industrial Property Services for snow plowing, salting and off site removal. That contract expired on April 15, 2001 and a tender was issued for the renewal of this service.

DISCUSSION

A Request for Tender, was publicly advertised in the Globe and Mail on August 7, 2001 and was also advertised on the Materials & Procurement Department Web site. Nine companies requested copies of the tender documents, out of which six companies submitted tenders as summarized on Appendix 'A'.

Tenderers were requested to submit pricing information for both a primary and supplementary contract. The primary contract includes the plowing and salting requirements for five bus garages (Arrow Road, Wilson, Queensway, Malvern and Comstock). The Comstock location is not expected to be fully operation until the Spring of 2002, however there will be some operations that will require snow plowing services for the winter season of 2001/2002. As such, tenderers were requested to submit a "per service" price for this location only for the first year of this contract. For the purposes of evaluation, staff have estimated the requirements for Comstock for the first year of the contract and have included this estimated amount in the total evaluated price. For years 2 and 3 of the contract, the tenderers were required to price Comstock similar to the other four operating garages on a monthly basis.

In addition, unit prices for extra work were requested for off-site snow removal, which consists of an all inclusive hourly rate for the removal of snow from the preceding locations if required. Unit prices were also requested for two additional garages (Danforth and Birchmount) for plowing and salting and off-site snow removal for these locations only. The Danforth and Birchmount work is currently being performed by TTC forces and equipment and this contract will be utilized only if the need arises due to equipment breakdown.

The supplementary contract will be awarded to a second company who will perform the work should the primary contractor be unable to handle the snow clearing requirements due to emergencies or unusual weather conditions. Staff estimated that this service may be utilized up to six times over the three year term of the contract. The recommended upset limit price for the supplementary contract is based on the lowest tendered price for the six visits and an allowance of 20%. If the need arises for this supplementary contract, any costs incurred by the Commission will be recovered from the primary contractor.

Metro Sodding and Snow Removal (Metro) submitted the lowest evaluated tender for the primary contract and did not state any exceptions of qualifications. They provided a unit price per ton for filling salt boxes at all the locations, rather than including this service in the requested total monthly prices. Staff has estimated the cost for filling all of the salt boxes at all the locations and for providing snow clearing and salting at Comstock for the first year. These values have been added to Metro's total evaluated price. Further, staff have estimated the cost of providing the additional services for Birchmount and Danforth based on historical information and have included these values in the total evaluated price. Metro is one of the snow clearing subcontractors to the company currently managing the TTC's commuter parking lots and have performed satisfactorily. Metro is recommended for the award of the primary contract.

The pricing submitted by Metro Sodding and Snow Removal is approximately 38% higher in the first year than the last year of the previous contract and increase 3% each for

year two and three of the contract. The price increases are the result of cost increases for labour, salt, liability insurance, fuel and maintenance cost.

An allowance of approximately 20% has been incorporated into the recommended upset limit for the primary contract to allow for fluctuations in usage due to weather conditions and to cover the costs of extra work based on the unit prices submitted if required.

Industrial Property Services (IPS) submitted the lowest evaluated tender, aside from Metro, for the supplementary contract and they did not state any exceptions or qualifications. IPS were the previous contractor for snow clearing at the garages and their performance has been satisfactory. They are considered commercially and technically acceptable and are recommended for the award of the supplementary contract.

Both ONYX Corporation and IPS submitted apparently lower tenders than Metro. However, ONYX's tender submission did not include any pricing for service for 2 of the specified garage locations and as such, their tender is incomplete and unacceptable.

The tender submitted by IPS contained "per service" pricing for all three years of the contract for the Comstock garage in lieu of the requested "per service" pricing for year 1 and monthly pricing for years 2 and 3. It should be noted that their "per service" price for the same service is greater than Metro's pricing. Staff has estimated the cost for the services at Comstock based on historical average number of salting and snow clearing incidents for the current operating garages for each winter season. The estimated cost for this service has been included in IPS's evaluated price in Appendix 'A'. The services for the other garages were priced as specified by IPS.

JUSTIFICATION

Award of the above mentioned contract will ensure the continued plowing, salting and off-site snow removal services for the Commission's garage requirements.

October 22, 2001

9-118-76

Attachment: Appendix 'A'

APPENDIX 'A'

SNOW CLEANING SERVICES TO TTC GARAGES

TENDER SUMMARY

-	PRIMARY CONTRACT		S
	TOTAL TENDERED PRICE	TOTAL EVALUATED PRICE (4)	
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-			
-			
TENDERER			
METRO SODDING AND SNOW REMOVAL	\$ 557,455.58	\$ 592,143.09 * (3)	\$ 5
INDUSTRIAL PROPERTY SERVICES	\$ 448,731.25 (1)	\$ 650,431.60	\$15
DARSAN CONTRACTING	\$ 720,270.50	\$ 826,735.50	
JACK GREEDY LIMITED	\$1,035,760.00	\$1,160,629.00	\$19
JIMRICK'S PROPERTY SERVICES	\$1,209,100.00	\$1,334,290.00	\$33
ONYX	\$ 561,175.00 (2)	NOT EVALUATED FURTHER	

* Recommended for award

1. IPS's tendered price did not include the price per month for Comstock for years two and three of the contract, rather they provided a unit price for each incident of snow clearing and salting service as detailed in the Discussion of the Commission Report.
2. Partial tender as it did not include pricing for 2 of the specified locations.
3. The recommended upset limit price for the primary and supplementary contract is based on the lowest evaluated tendered price and an allowance of 20%.
4. Includes estimated costs for plowing and salting for Birchmount and Danforth Garages.