



Vendor Award: Emergency Property Containment and Restoration Services

Item 7

July 17, 2023

Building Investment, Finance and Audit Committee

Report: BIFAC:2023-78

To: Building Investment, Finance and Audit Committee
("BIFAC")

From: General Counsel and Corporate Secretary

Date: June 28, 2023

PURPOSE:

The purpose of this report is to seek the BIFAC's and the Board of Directors' (the "Board") approval for up to \$48,600,000.00 (exclusive of taxes) for the establishment of a roster of pre-qualified vendors for the Emergency Property Containment and Restoration Program for a term of up to a five years.

BIFAC approval is required for this contract award as it exceeds the \$2.5M financial approval limit of TCHC's Procurement Award Committee ("PAC"), and Board of Directors (the "Board") approval is required as it exceeds the \$5M financial approval limit of the BIFAC.

RECOMMENDATIONS:

It is recommended that the BIFAC approve and recommend that the Board:

1. approve the award of work up to \$48.6M (exclusive of taxes) for emergency property containment and restoration services at the rates established from the outcome of Request for Proposal ("RFP") 23002 for a term of up to five (5) as follows:
 - I. up to \$8.8M for the first year of initial contract; and
 - II. up to \$39.83M for four (4) additional one-year terms at TCHC management's discretion;

2. approve the award of the work to the following four (4) vendors based on the outcome of Request for Proposal (RFP) 23002 as follows:
 - I. Bi-Views Building Service Ltd.;
 - II. LYR Inc.;
 - III. Spectrum Building Services Co. Inc.; and
 - IV. Universal Cleaning & Painting Ltd.; and
3. authorize the appropriate staff to take all other necessary actions to give effect to the above recommendations.

PROJECT BACKGROUND:

This program addresses Emergency Property Containment and Restoration Services as follows:

- Emergency Property Containment: work to prevent and/or mitigate further loss and/or damage from the result of incidents (e.g. fire, flood, vandalism, etc.), and to stabilize the environment in order for restoration work to take place; and
- Property Restoration: work which includes repairs following emergency containment and remediation in order to restore the property to its pre-existing condition, and other repairs as required by TCHC as well as mould remediation, which includes the removal, disposal and restoration of areas contaminated by mould either as a result of an emergency incident or on-going maintenance related causes.

Since the start of the current contract in June 2021, approximately 1,500 claims were processed annually, with annual costs averaging approximately \$6,800,000. Proponents are required to respond to calls for emergency property containment and restoration services on a 24 hours a day, 7 days a week basis, including statutory holidays.

The purpose of this award is to establish an updated roster of qualified contractors.

REASONS FOR RECOMMENDATIONS:

The Emergency Property Containment and Restoration Program is designed to efficiently contain damages and restore our properties throughout the portfolio following property damages. This is work that must be performed,

without delay, in order to ensure that TCHC tenants are provided with a safe living environment.

Establishing a program for the scope of work ensures a formalized process to efficiently and effectively deliver the Emergency Property Containment and Restoration Program. This includes consistency in pricing, and accordance with both standard specifications and accountabilities and performance expectations.

PROCUREMENT PROCESS:

RFP 23002 was issued on February 6, 2023 and closed on March 16, 2023. Twelve submissions were received. The submissions were evaluated through a three-stage process to determine qualified vendors based on mandatory requirements, rated criteria and pricing. Six submissions met the requirements of the first two stages. Following the third stage, the top four ranking proponents were selected to be part of the program. The remaining two proponents will remain on a separate list and would be engaged based on their overall ranking should there be a vacancy during the course of the program.

The overall ranking of the top four proponents will be used for the purpose of determining the order in which proponents will be offered and awarded their choice of the regional portfolio/blocks.

The program will be in effect for one year (with four optional one-year extensions), with a start date of September 1, 2023. Work will not commence until this award has been approved and a contract has been executed.

Confidential Attachment 1 provides details on pricing and rated criteria.

IMPLICATIONS AND RISKS:

A public RFP was issued and the recommendation in this report is based on awarding the work as per the RFP requirements, thus the risk of a proponent challenging the awarding of the contract is minimized.

The Director, Risk Management and Insurance, in consultation with other Facilities Management and Operations staff, confirm that the pricing is reasonable and acceptable for the work. At TCHC's sole and absolute discretion, the unit rate price list for years 2, 3, 4 and 5 may be adjusted by

TCHC on an annualized basis to reflect inflation based on the change (increase or decrease) in the Consumer Price Index, provided that in no event shall any such price adjustment exceed five percent.

This work requires entry into tenant units. Timely and appropriate notification will be provided to tenants to notify them of planned work in their units. There is no anticipated disruption to staff.

Performance will be evaluated in accordance with TCHC's Vendor Compliance Evaluation System. Results gathered through reviews can be used to support decisions to remove underperforming vendors from TCHC's rosters and/or future bidding opportunities.

Funding for this award is within the program budget of the 2023 Capital Budget. Funding for future years budgets will be requested within the 2024-2028 Capital Budgets.

SIGNATURE:

"Darragh Meagher"

Darragh Meagher
General Counsel and Corporate Secretary

ATTACHMENT:

Confidential Summary of Submissions

Attachment 1:

Reason for Confidential Attachment: Third party commercial information supplied in confidence and commercial information belonging to TCHC that has monetary value or potential monetary value and whose disclosure could reasonably be expected to be injurious to its financial interests.

STAFF CONTACT:

Anita Tsang-Sit, Director, Risk Management and Insurance
416-981-4147
Anita.Tsang-Sit@torontohousing.ca