



Exhibition Place

ACTION REQUIRED

Item No. 12

May 9, 2012

To: The Board of Governors of Exhibition Place

From: Dianne Young
Chief Executive Officer

Subject: **Agreement for Asphalt Contractor Services**

Summary:

This report recommends that the Board enter into agreement with Tony Battista Paving Inc. for one year, commencing on June 1, 2012, with an option to extend for three additional one-year periods, for the supply of all labour, material and equipment necessary for the provision of Asphalt Contractor Services and related work at Exhibition Place.

A Request for Quotation (RFQ) process was issued through the City of Toronto, Finance Department, Purchasing and Material Management Division (PMMD) for the provision of supplying labour, material and equipment necessary for the provision of Asphalt Contractor Services and related work at Exhibition Place.

Recommendation:

It is recommended that the Board approve an agreement with Tony Battista Paving Inc., for a period of one (1) year commencing June 1, 2012, with the option to extend for an additional three (3) separate one (1) year periods, on the terms and conditions outlined in this report and other such terms and conditions satisfactory to the CEO and City Solicitor.

Financial Impact:

The projected annual expenditure for Asphalt patching, paving and associated work, related to Hard Landscaping repairs and alterations, installations and related work services is \$87,425.50, and is provided for in the 2012 Operating Budget, and will be provided for in the 2013, 2014, and 2015 Operating Budgets.

Decision History:

The Exhibition Place 2009-2012 Strategic Plan had an Infrastructure Goal to *Sustain our public assets and rolling equipment* and a Strategy to support this Goal to *design and implement a preventative maintenance program*.

On May 31, 2010, Tony Battista Paving Inc. was awarded a one year contract with the option to extend for one additional one-year term, wherein the contract amount and the option year term was within the authority of the Chief Executive Officer, commencing June 1, 2010, for the supply of all labour,

material and equipment necessary for the provision of Asphalt Contractor Services and related work at Exhibition Place. The term of the option year is set to expire on May 31, 2012.

Issue Background:

The term of the existing agreement with Tony Battista Paving Inc. is set to expire on May 31, 2012.

Comments:

On March 23, 2012, Exhibition Place through the services of PMMD issued a Request for Quotation to establish a new agreement commencing June 1, 2012.

The RFQ specified the Board's requirements and service expectations and was accordingly structured in a manner that required bidders to list hourly rates for various personnel, as well as percentage mark-ups over invoice cost for all materials used. For comparison purposes, the hourly rates quoted were applied to projected annual requirements resulting in Total Lump Sum Prices. Firm prices were quoted for the first year with percentage increases for each of the three option years.

The RFQ closed on April 16, 2012 with 10 quotations received. The results exclusive of HST were as follows:

Bidder	June 1, 2012 to May 31, 2013	Percentage Increase Optional Year 1	Percentage Increase Optional Year 2	Percentage Increase Optional Year 3
Tony Battista Paving Inc.	\$87,425.50	2.5%	2.5%	2.5%
C. Valley Paving Inc.	\$99,950.00	4%	7%	10%
Edgeway Paving Ltd.	\$112,550.00	5%	10%	15%
Pave-Tar Construction Ltd.	\$118,035.00	5%	10%	10%
Northland Paving Ltd.	\$129,750.00	3%	3%	3%
Four Seasons Site Development Ltd.	\$139,600.00	5%	5%	5%
Bond Paving & Construction Inc.	\$176,800.00	1%	2%	2%

Bidder	June 1, 2012 to May 31, 2013	Percentage Increase Optional Year 1	Percentage Increase Optional Year 2	Percentage Increase Optional Year 3
Trisan Construction	\$190,163.40	15%	10%	5%
Dig-Con International Ltd.	\$234,180.00	2%	4%	6%
Ashland Paving Ltd.	\$245,127.20	5%	8%	12%

The Tony Battista Paving Inc. quotation is the overall lowest acceptable bid received in compliance with all requirements.

Staff report favourably on the past performance of Tony Battista Paving Inc. at Exhibition Place. The City of Toronto Fair Wage and Labour Trades Office confirms that Tony Battista Paving Inc. is in compliance with the Fair Wage and Labour Trades requirements for this work

Tony Battista Paving Inc. is a family owned and operated paving company with offices in Etobicoke and Mississauga Ontario. The company was founded in 1953 and specializes in asphalt, concrete, interlock, retaining walls, crack filling, asphalt sealer and excavation at municipal, industrial, commercial, private industry and residential levels. Tony Battista Paving Inc. owner is Tony Battista.

Staff are recommending the approval of an agreement with Tony Battista Paving Inc. on the following terms and conditions:

- (a) Term: One year commencing June 1, 2012, on an as required basis, with the option to extend for three additional one-year periods subject to satisfactory performance review and budget availability.
- (b) Pricing: Pricing is to be fixed during the term of the Agreement in accordance with the terms of the RFQ.
- (c) Assignment: The agreement shall not be assigned by Tony Battista Paving Inc. without written consent of the Board.
- (d) Indemnity/Insurance: Tony Battista Paving Inc. shall provide proof of insurance in a form and amount satisfactory to the Board and containing provisions including the Board and the City of Toronto as additional insured with a cross liability/severability of interest clause of standard wording.
- (e) Union Obligations: Tony Battista Paving Inc. shall comply with all trade union/association agreements affecting work done on the grounds.
- (f) Other Commercial Terms: The agreement shall include other standard commercial terms respecting termination and other matters in a form satisfactory to the City Solicitor and the CEO.

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Submitted by:

Dianne Young

Chief Executive Officer