



Contractor Award: Decommissioning, Abatement, Demolition and Site Grading Services at Firgrove Crescent (RFP 21084-PP)

Item 6B

September 2, 2021

Building Investment, Finance and Audit Committee

Report: BIFAC:2021-86

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

From: Vice President, Facilities Management and Acting Chief
Development Officer

Date: August 9, 2021

PURPOSE:

The purpose of this report is to seek the BIFAC's approval to award a contract for decommissioning, abatement, demolition and site grading services at 5, 10 & 40 Turf Grassway, 4 & 17 Cane Grassway, 7 & 11 Blue Grassway, 1, 2 & 8 Dune Grassway, and 3 & 36 Marsh Grassway (Firgrove Crescent, Dev. 097) based on the outcome of Request for Proposal ("RFP") 21084-PP.

BIFAC approval is required for this contractor award as it exceeds the \$2.5 million financial approval limit of TCHC's Procurement Award Committee ("PAC").

RECOMMENDATIONS:

It is recommended that the BIFAC approve the following recommendations:

- (a) Approve the award of the work to Budget Environmental Disposal Inc. for \$4,959,650.00 (exclusive of taxes) for decommissioning, abatement, demolition and site grading services at 5, 10 & 40 Turf Grassway, 4 & 17 Cane Grassway, 7 & 11 Blue Grassway, 1, 2 & 8 Dune Grassway, and 3 & 36 Marsh Grassway (Firgrove Crescent,

Dev. 097) based on the outcome of Request for Proposal (“RFP”) 21084-PP; and

- (b) Authorize the appropriate staff to take the necessary actions to give effect to the above recommendation.

REASONS FOR RECOMMENDATIONS:

Firgrove Crescent currently includes two blocks of stacked two-storey apartments (‘Block A’ and ‘Block B’), with a total of 236 units built in 1971. Block A represents a total of 102 units at 5, 10 and 40 Turf Grassway and 4 and 17 Cane Grassway, and Block B represents a total of 134 units at 1, 2 and 8 Dune Grassway, 3 and 36 Marsh Grassway and 7 and 11 Blue Grassway. There is also a TCHC owned community space, outdoor pool and City-run childcare facility within the Firgrove Crescent development.

Through the 10-year Building Repair Capital Program, it was determined that 134 of the 236 units within Firgrove Crescent (Block B) had to be evacuated as they were no longer safe and secure homes for tenants. It was also determined that it will be more cost-effective to demolish and rebuild all 236 units rather than repair them. As such, both Blocks A and B have undergone a master planning process that (pending funding) anticipates the replacement of the TCHC units and the introduction of new affordable and market units.

The recommended scope of work includes decommissioning, abatement, demolition and site grading services at Firgrove Crescent (Blocks A and B) in order to facilitate the Firgrove-Grassways Revitalization (the “Revitalization”).

In September 2019, the TCHC Board approved \$7.2 million in spending authority for demolition as part of the Revitalization (TCHC:2019-23). The award to Budget Environmental Disposal Inc. will come from this approved budget, which will also cover security costs, utility disconnections, salvage and site preparation work, and a health and safety monitoring agent.

PROCUREMENT PROCESS:

An RFP was issued on April 27, 2021 and closed on June 8, 2021. Ten submissions were received. The submissions were evaluated to determine

the best price. Confidential Attachment 1 provides a summary of the submissions.

Budget Environmental Disposal Inc. submitted the lowest price and is recommended for the work. Overall, Budget Environmental Disposal Inc.'s submission satisfied all mandatory requirements and surpassed the standard required to permit consideration of its pricing proposal. The recommendation is based on awarding the work per the RFP requirements. The RFP also included, as a condition of award, a requirement to allocate 1.5% of the total bid amount to implement a community economic development ("CED") plan. As part of the CED plan, the vendor would provide skill-building opportunities to TCHC tenants such as employment, apprenticeships, and training opportunities that link the skill development of TCHC tenants with needs in the local labour market.

The Procurement Award Committee approved the recommendation to award the work to Budget Environmental Disposal Inc. at its meeting on August 5, 2021, subject to BIFAC approval. At that time, the Committee took note of the following considerations:

- The award and pricing is fair and reasonable for the scope of work;
- This is a new vendor to TCHC and staff have checked their references; and
- The recommended proponent has confirmed they have the capability and capacity to deliver the scope of work.

IMPLICATIONS AND RISKS

Risk of Not Proceeding

The scope of work is recommended in order to accommodate new development in Firgrove. In December 2017, 134 units within Block B were relocated outside of Firgrove due to safety concerns with respect to the habitability and structural integrity of the buildings. The relocation process has commenced for the 102 units at Block A and is anticipated to be complete by September 30, 2021, at which point all 236 units will be vacant. Not proceeding with demolition would pose a safety risk on site and result in significant security costs for TCHC if the buildings were to remain vacant for an extended period of time.

Strategic and Reputational Risk

After extensive consultation with tenants, it was determined that the demolition of Blocks A and B would occur in a single phase following the relocation of all tenants. In order to accommodate this, TCHC requested the City to advance the rental housing demolition and conversion application. Approval of the demolition permit application has been added to the Community Council agenda for September 10, 2021. Not proceeding with demolition upon completion of the Block A relocation would be inconsistent with previous requests and communications to the City of Toronto and tenants.

Tenant Implications

It is anticipated that tenants living in Block A will have been relocated out of Firgrove Crescent by September 30, 2021. As such, the site will be vacant for the duration of demolition work.

Timely and appropriate notification will be provided to site staff and tenants for any demolition work occurring close to the adjacent Jane Firgrove development. A third-party health and safety monitoring agent will also be retained to conduct health and safety site inspections during construction.

Delivery of Work

To mitigate risks, staff will continuously and rigorously monitor the performance of the contractor during the course of the project. TCHC has retained a consultant to provide contract administrative services to ensure the work is delivered in accordance with the design and specifications, and is on budget and on time. Performance will be evaluated in accordance with TCHC's Vendor Compliance evaluation system. Results gathered through project reviews can be used to support decisions to remove underperforming vendors from TCHC's rosters and/or future bidding opportunities.

SIGNATURES:

"Allen Murray"

Allen Murray
Vice President, Facilities Management

“Kelly Skeith”

Kelly Skeith
Acting Chief Development Officer

Confidential RFP 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:

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