



Contractor Award: Annual Grounds Maintenance and Snow Clearing Services for 32 Developments (OUX and OUY) (VAC 22042/RFP 21279)

Item 4B

March 8, 2022

Building Investment, Finance and Audit Committee

Report: BIFAC:2022-33

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

From: Vice President, Facilities Management

Date: February 14, 2022

PURPOSE:

The purpose of this report is to seek the BIFAC's approval to award work to Zegas Group Limited ("Zegas") for \$4,388,970.37 (exclusive of taxes) for annual grounds maintenance and snow clearing services at 32 developments (Group 13; formerly OUX and OUY) based on the outcome of Request for Proposal (RFP 21279).

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 work to Zegas for \$4,388,970.37 (exclusive of taxes) for a term of eleven (11) months with the option of two one (1) year contract extensions at TCHC management's discretion as follows;
 - June 1, 2022 to April 30, 2023 (eleven (11) months):
\$1,379,390.69
 - May 1, 2023 to April 30, 2024 – one year extension:
\$1,504,789.84

- May 1, 2024 to April 30, 2025 – one year extension:
\$1,504,789.84

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

PROJECT BACKGROUND:

The Facilities Management-Architectural Grounds and Waste Management Unit is responsible for managing grounds maintenance and snow clearing services for all TCHC direct managed communities. The former OUX and OUY are moving from contract management to TCHC direct management in 2022. This move necessitated the procurement of grounds maintenance and snow clearing services for these developments, reflective of community needs and aligned with TCHC standards. This award will deliver quality services to tenants and ensure grounds maintenance and snow clearing services are effectively implemented as they are critical to the health and safety of tenants.

Currently, services are being provided via direct award contracts to the companies who were providing the services to the buildings while they were contract managed. To support a seamless transition of services, it is required that these grounds and winter maintenance services begin on June 1, 2022.

The term of this contract was chosen to expire with other existing contracts. This will allow for all groups to be included in the next refresh of this program.

REASONS FOR RECOMMENDATIONS:

The recommendation is to award the work to Zegas Group Ltd.

The recommended proponent has performed similar work for TCHC with satisfactory results and provided the lowest bid price of qualified bid submissions through a competitive bid process.

PROCUREMENT PROCESS:

RFP 21279 was issued on October 6, 2021 and closed on November 8, 2021. Four submissions were received. The submissions were evaluated

through a three stage process to determine qualified vendors based on rated criteria and pricing.

- **Stage 1** – Mandatory requirements: Strategic Procurement staff reviewed the submissions for mandatory requirements. 4 proponents met the mandatory requirements.
- **Stage 2** – Rated Criteria: On November 30, 2021, an evaluation team (Facilities Management) evaluated submissions based on the Rated Criteria in the RFP documents. Only those proponents who received a minimum score of 70 points were considered for further evaluation. Two proponents received the minimum score.
- **Stage 3** – Pricing: Submitted pricing was evaluated to determine the lowest price.

See **Confidential Attachment 1: VAC 22042/RFP 21279 Summary of Submissions**

Zegas was one of two qualified bidders. They scored highest on rated criteria and submitted the lowest priced bid.

A vendor confirmation meeting was held on December 13, 2021 by teleconference between Strategic Procurement, Facilities Management staff and Zegas to confirm the submitted pricing, capacity, timeline and understanding of scope of work.

Zegas Group Ltd. confirmed their understanding of scope of work, ability to complete the deliverables, capacity, timelines and pricing. This was also confirmed by email on December 14, 2021. The Manager, Architectural Landscape and Waste Management in consultation with other Facilities Management staff, agree that the pricing is reasonable and acceptable for the work.

IMPLICATIONS AND RISKS:

A public RFP was issued and the recommendation 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.

To mitigate risk staff will continuously and rigorously monitor the performance of the recommended proponent during the course of the project. Performance will be evaluated in accordance with TCHC's Vendor Compliance evaluation system. Results gathered through program reviews will be used to support decisions to remove underperforming vendors from TCHC's programs and/or future bidding opportunities. FM Grounds and Waste staff will provide contract administrative services to ensure the work is delivered in accordance with the design and specifications, on budget and on time.

Funding for this award is within the program budget of the 2022 Operating Budget, ABSLA.5321. Funding for years 2023 and 2024 will be requested within the Operating budgets for each year.

SIGNATURE:

"Allen Murray"

Allen Murray
Vice President, Facilities Management

STAFF CONTACT:

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ATTACHMENT:

Confidential **Summary of Submissions**
Attachment 1:

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