

Toronto Community Housing



Vendor Award: Program Roster for the Water Efficiency Retrofits Program at Various TCHC and TSHC Locations

Item 7D

April 22, 2024

Board of Directors

Report: TCHC:2024-23

To: Board of Directors (the “Board”)

From: Building Investment, Finance and Audit Committee (“BIFAC”)

Date: March 18, 2024

PURPOSE:

The purpose of this report is to seek the approval of the Board of Directors for the establishment of a roster of pre-qualified vendors for the provision of the water efficiency retrofits program at various Toronto Community Housing Corporation (“TCHC”) and Toronto Seniors Housing Corporation (“TSHC”) locations for up to \$40,000,000.00 (exclusive of taxes) based on the outcome of Request for Proposal (“RFP”) 23154 for a term of five years.

Board approval is required for this contract award as it exceeds the \$10M financial approval limit of the BIFAC.

RECOMMENDATIONS:

It is recommended that the Board:

1. approve the establishment of a roster of pre-qualified vendors for the provision of the water efficiency retrofits program at TCHC and TSHC locations for up to \$40,000,000.00 (exclusive of taxes) based on the outcome of Request for Proposal (“RFP”) 23154 for a term of five years with the following vendors:
 - a. Greenline Renovations Plus Ltd.
 - b. Joe Pace and Sons Contracting Inc.

- c. Solid General Contractors Inc.
 - d. Summit Building Solutions; and
2. authorize the appropriate staff to take all other necessary actions to give effect to the above recommendation.

BIFAC:

This report was approved by the BIFAC on March 18, 2024.

PROJECT BACKGROUND:

The water efficiency retrofit program aims to reduce water consumption, with a 25% reduction target per building. The scope of work for this award is to deliver water efficiency retrofits through upgrades to tenant toilets, aerators, and showerheads (“TAS”). As part of the program, vendors will also identify other leaking or malfunctioning equipment in tenant units that are contributing to excess water usage and/or damage to property.

The original contract award was intended to run as a three-year program with two potential one-year extensions, with options to continue through to September 2024 and September 2025 at TCHC management’s discretion ([Report BIFAC:2020-42](#)). In 2021, the Facilities Management (“FM”) team completed delivery of the water efficiency program in approximately 6,000 units across the portfolio with positive results and exhausted the previously approved funds.

Preliminary analysis of the program showed positive results, suggesting an average of 19% reduction in consumption in buildings receiving the program and over 2% portfolio wide. The previous program realized water savings of 1,317,985m³, equivalent to \$5.7M compared to pre-retrofit years’ baseline water consumption.

As per the latest internal scenario analysis for an \$8 million investment in the program, cost recovery is approximately 35 months. The program is estimated to realize 371,000m³ in water savings, equivalent to \$1.6M in year three of the program. Savings will be continuous and expected to increase beyond the first three years of the program. Cost projections are calculated based on core water efficiency measures. Additional cost savings will be realized through any additional water leak detection discovered and rectified over the course of the program.

17,022 units have been completed to date. An estimated 18,000 units remain eligible for the program across the TCHC and TSHC portfolios.

REASONS FOR RECOMMENDATIONS:

The purpose of this award is to establish a roster of pre-qualified vendors for water efficiency retrofits to reduce water use through upgrades to tenant toilets, aerators, and showerheads. As part of the implementation, the proponents will also be identifying leaking or malfunctioning components. The scope of the original program has been expanded to include identifying plumbing fixtures and components that could be contributing to excess water usage and/or damage to property and related architectural finishes in bathrooms.

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

PROCUREMENT PROCESS:

RFP 23154 was issued on September 26, 2023, and closed on October 18, 2023. Eight submissions were received. The submissions were evaluated through a three-stage process to determine qualified vendors based on mandatory requirements, rated criteria and pricing.

The top four scoring proponents were ranked in order of final total score and were offered a placement on the roster of vendors to provide services. The remaining proponents will remain on a separate list and would be engaged based on their overall ranking should there be a vacancy during the program. The work will be distributed to the roster of proponents by the TCHC Program Manager. Multiple buildings may be assigned to a proponent for which the work may need to be completed simultaneously. The proponent is required to be transparent with the TCHC Program Manager and accurately provide feedback about their capacity to complete the work as per the schedule of deliverables, prior to any acceptance. This is required so that TCHC may adjust the workload per proponent(s) accordingly. There will be no penalty for refusal of a building(s). It is the intent of TCHC to distribute work to the roster of vendors to ensure the program deliverables are being met per the schedule.

The project is expected to start May 1, 2024, and will take up to five years to complete. TCHC is anticipating completion of the program will require

up to \$40,000,000 over a period of five years to achieve portfolio-wide water savings targets.

Work will not commence until this award has been approved, a contract has been executed and the purchase order issued. Any significant delays in issuing the purchase order will impact the schedule.

See Confidential Attachment 1 for details on pricing and rated criteria.

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.

The Program Manager, Plumbing, in consultation with Manager, Plumbing, have determined that the recommended proponents have the capability and capacity to deliver the work within the timeline.

Entry into tenant units is required. Key holder services will be engaged, and timely and appropriate notification will be provided to tenants to notify them of planned disruptions and restrictions.

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.

Funding for this award is within the program budget of the 2024 EW-01 Water Conservation and Re-commissioning. Funding from the same funding source to be used in subsequent budget years.

SIGNATURE:

"Allen Murray"

Allen Murray
Vice President, Facilities Management

ATTACHMENT:

Confidential Attachment 1: Summary of Submissions

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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