



STAFF REPORT ACTION REQUIRED

Contract Awards – November 10, 2010 - Composite Report

Date:	November 4, 2010
To:	Bid Committee
From:	Director, Purchasing and Materials Management
Reference	Various Calls

SUMMARY

The purpose of this report is to advise on the results of the competitive procurement calls issued by the Purchasing and Materials Management Division and to recommend contract awards as outlined in this report.

RECOMMENDATIONS

The Director of Purchasing and Materials Management recommends that the Bid Committee grant authority to award the following contracts in accordance with the Contract Details set out in the appendices of this report:

1	Call Document	Tender Call 164-2010, Contract 10DDP-01BOM
	Description	Supply of all labour, materials and equipment necessary for the disconnection/extension of downspouts and eavestroughs, and the installation of rain barrels at various locations in the City of Toronto.
	Recommended Bidder	Avenue Road Roofing, a Division of 1287376 Ontario Ltd.
2	Call Document	Request for Quotation 4001-10-7124
	Description	For supply of Leak Detection and Correlation Services on an as needed basis, 24 hours a day, 7 days a week, all-weather emergency for the City of Toronto's Toronto Water Division, for a period of one (1) year.
	Recommended Bidder	Echologics Engineering

3	Call Document	Request for Quotation No. 6627-10-7238
	Description	For the non-exclusive supply and delivery of Sodium Bisulphite to Toronto Water, water and wastewater treatment facilities
	Recommended Bidder	Sulco Chemicals Limited
4	Call Document	Request for Quotation 6032-10-0142
	Description	For the non-exclusive supply of all labour, materials, equipment and supervision necessary to provide Summer and Winter Landscaping Maintenance at various Facilities Management Division locations throughout the City of Toronto
	Recommended Bidder	Peter Young Ltd. o/a IPS
5	Call Document	Request for Quotation No. 3412-10-3135
	Description	For the non-exclusive support and maintenance Services for the City's Intel Class Servers under warranty and off-warranty for the period from January 1, 2011 to December 31, 2013 with the option to renew the Contract for two (2) additional separate one (1) year periods
	Recommended Bidder	Brains II Inc.

COMMENTS

(1) REQUIREMENTS

For each of the recommended contract awards, the following requirements have been met:

- (a) The firm recommended for award is the lowest bidder meeting specifications or to the highest scoring proponent based on the evaluation criteria included in the call and meeting the requirements of the call;
- (b) the Deputy City Manager and Chief Financial Officer agrees with the Financial Impact information;
- (c) the appropriate Division has reviewed submissions and found the price to be reasonable, within available budget and concurs with the recommendation;
- (d) the call document was advertised on the City's internet website and bids or proposals were opened publicly; and
- (e) the Fair Wage Office confirms the recommended firm understands the Fair Wage Policy and Labour Trades requirements and has agreed to comply fully.

Additional details and information for the above calls are on the file in the Purchasing and Materials Management Division.

SIGNATURE – CHIEF PURCHASING OFFICIAL

Lou Pagano, P. Eng.
Director
Purchasing and Materials Management Division

(2) APPENDICES – Contract Details

(2) CONTRACT DETAILS
APPENDIX #1

Date: October 25, 2010

Call No:

Tender Call 164-2010, Contract 10DDP-01BOM

Description:

Supply of all labour, materials and equipment necessary for the disconnection/extension of downspouts and eavestroughs, and the installation of rain barrels at various locations in the City of Toronto for a one year period starting November 10, 2010 with an option to renew for an additional one year period at the sole discretion of the City and subject to budget approval. Should the option(s) be exercised then the General Manager, Toronto Water will instruct the Chief Purchasing Official to process the necessary contract renewals under the same terms and conditions.

Call Dates:

Issued August 27, 2010, Closed September 13, 2010

Ward No:

All

Recommended Bidder:

Avenue Road Roofing, a Division of 1287376 Ontario Ltd.

Total Contract Value*:

From November 10, 2010 to November 9, 2011

\$1,524,585.00 exclusive of taxes and charges

\$1,722,781.05 inclusive of HST and charges

\$1,551,417.70 net of HST Recoveries

Option Year One (From November 10, 2011 to November 9, 2012)

\$1,600,630.00 exclusive of taxes and charges

\$1,808,711.90 inclusive of HST and charges

\$1,628,801.09 net of HST Recoveries

The total potential contract award identified in this report is \$3,531,492.95 including HST and all charges. **The total potential cost to the City including the option year is \$3,180,218.79 net of HST recoveries.**

*Tender Price corrected for mathematical errors. Purchasing and Materials Management has verified that the mathematical errors were corrected.

Number of Bids:

One (1)

APPENDIX #1

Financial Impact:

The total potential contract award including option years identified in this report is \$3,531,492.95 inclusive of HST and charges. The total potential cost to the City net of HST recoveries is \$3,180,218.79. Funding for the contract award is included in the 2010 Toronto Water Capital Budget and 2011-2019 Capital Plan in account CWW438-01 (Resident Downspout Disconnect). The estimated cash flows are as follows:

November 10-Dec. 31, 2010 (Net of HST Recoveries)	Jan. 1, 2010 – Nov. 9, 2011 (Net of HST Recoveries)	Option Year November 10-Dec. 31, 2011 (Net of HST Recoveries)	Option Year Jan. 1, 2012- Nov. 9, 2012 (Net of HST Recoveries)
\$250,000.00	\$1,301,417.70	\$270,000.00	\$1,358,801.09

The engineering estimate for the contract period of this project is \$1,502,785.00 net of all applicable taxes.

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(2) CONTRACT DETAILS
APPENDIX # 2

Date: October 26, 2010

Call No:

Request for Quotation 4001-10-7124

Description:

For supply of Leak Detection and Correlation Services on an as needed basis, 24 hours a day, 7 days a week, all-weather emergency for the City of Toronto's Toronto Water Division, for a period of one (1) year starting from the date of award, with the option to renew the Contract(s) for one (1) additional separate one (1) year period at the sole discretion of the City and subject to budget approval. Should the optional year be exercised, the General Manager of Toronto Water will instruct the Director of Purchasing and Materials Management to process the renewals under the same terms and conditions.

Call Dates:

Issued June 9, 2010

Closed June 29, 2010

Ward No:

All

Recommended Bidder:

Echologics Engineering

Contract Award Value:

For the period from the date of award to July 31, 2011

- \$251,400.00 net of all applicable taxes and charges
- \$284,082.00 inclusive of HST and charges
- **\$255, 824.64 net of HST recoveries**

Option Year 1 – August 1, 2011 to July 31, 2011

- \$251,400.00 net of all applicable taxes and charges
- \$284,082.00 inclusive of HST and charges
- \$255, 824.64 net of HST recoveries

The total potential contract award including all option years identified in this report is \$568,164.00 inclusive of HST and charges. **The total potential cost to the City including option years is \$511,649.28 net of HST recoveries.**

Number of Bids:

Two (2) formal bids; One (1) informal bid (not considered); Total of three (3) bids.

Financial Impact:

The total potential contract award identified in this report is \$568,164.00 inclusive of HST and charges. The total potential cost to the City is \$511,649.28 net of HST Recoveries. Funding for the contract award is included in the 2010 Toronto Water Operating Budget

APPENDIX # 2

under various cost centres for Services, Maintenance and Repair and the Program's 2011 Operating Budget submission. Should the option year be exercised, then additional funds will be included in the 2011 and 2012 Toronto Water Operating Budget submission, and the unit rates shall increase or decrease each year based on the annual CPI Index – all items – Toronto for the 12 month period starting from two months prior to the end of the contract term.

The cash flow funding requirements for this project are as follows:

Accounts	From Date of Award to July 31, 2011 (Net of HST Recoveries)	Optional Year From August 1, 2011 to July 31, 2012 (Net of HST Recoveries)	Total (Net of HST Recoveries)
PW2017	\$30,455.31	\$42,637.44	\$73,092.75
PW2014	\$30,455.31	\$42,637.44	\$73,092.75
PW2011	\$30,455.31	\$42,637.44	\$73,092.75
PW2008	\$30,455.31	\$42,637.44	\$73,092.75
PW3012	\$30,455.31	\$42,637.44	\$73,092.75
PW3006	\$30,455.31	\$42,637.44	\$73,092.75
PW2002	\$30,455.31	\$42,637.44	\$73,092.75

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(2) CONTRACT DETAILS
APPENDIX #3

Date: November 3, 2010

Call No:

Request for Quotation No. 6627-10-7238

Description:

For the non-exclusive supply and delivery of Sodium Bisulphite to Toronto Water, water and wastewater treatment facilities on an as and when required basis for a three (3) year period from January 1, 2011 to December 31, 2013.

Call Dates:

Issued on August 31, 2010, Closed on September 16, 2010

Ward No:

All

Recommended Bidder:

Sulco Chemicals Limited

Contract Award Value:

For the three year period from January 1, 2011 to December 31, 2013

- \$923,670.00 net of all applicable taxes and charges
- \$1,043,747.10 including HST and charges
- **\$939,926.59 net of HST Recoveries**

Number of Bids:

Three (3)

Financial Impact:

The total contract award identified in this report is \$1,043,747.10 including HST and charges. The cost to the City is \$939,926.59 net of HST Recoveries. Funding in the amount of \$298,594.37 net of HST Recoveries will be included in 2011 Toronto Water Operating Budget submission under cost element 2461 and were available in the base of the 2010 Toronto Water Operating Budget. Funding required for the remainder of the contract, will be requested in 2012 and 2013 Budget submissions.

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Funding details are provided in the table to follow:

Account No	Account Name	Three Year Term Each Year: January 1, 2011 to December 31, 2011		
		2011	2012	2013
		(net of HST Recoveries)		
PW100-11	Water Treatment & Supply - R.C. Harris Plant	\$69,237.50	\$69,237.50	\$69,237.50
PW100-14	Water Treatment & Supply – Island Plant	\$22,010.69	\$22,010.69	\$22,010.69
WW1176	Wastewater Treatment – Humber Plant	\$147,144.96	\$147,144.96	\$147,144.96
WW1052	Wastewater Treatment – North Toronto Plant	\$16,057.73	\$16,057.73	\$16,057.73
WW1075	Wastewater Treatment – Highland Creek Plant	\$44,143.49	\$66,215.23	\$66,215.23
Annual Total		\$298,594.37	\$320,666.11	\$320,666.11
Grand Total		\$939,926.59		

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(2) CONTRACT DETAILS
APPENDIX #4

Date: October 27, 2010

Call No:

Request for Quotation 6032-10-0142

Description:

For the non-exclusive supply of all labour, materials, equipment and supervision necessary to provide Summer and Winter Landscaping Maintenance at various Facilities Management Division locations throughout the City of Toronto for a one (1) year period from November 15, 2010 to November 14, 2011 with the option to renew for four (4) additional and separate one year periods at the sole discretion of the City and subject to budget approval. Should the option(s) to renew be exercised then the Director of Facilities Operations will request the Director of Purchasing and Materials Management to process the renewals under the same terms and conditions

Call Dates:

Issued September 27, 2010, Closed October 14, 2010

Ward No:

All

Recommended Bidder:

Peter Young Ltd. o/a IPS

Contract Award Value:

- \$1,553,775.00 net of all applicable taxes and charges from November 15, 2010 to November 14, 2011; \$1,755,765.75 including HST and all charges; **\$1,581,121.44 net of HST Recoveries.**
- Option Year 1- November 15, 2011 to November 14, 2012: \$1,553,775.00 net of all applicable taxes and charges; \$1,755,765.75 including HST charges; \$1,581,121.44 net of HST Recoveries.
- Option Year 2- November 15, 2012 to November 14, 2013: \$1,600,388.25 net of all applicable taxes and charges; \$1,808,438.72 including HST charges; \$1,628,555.08 net of HST Recoveries.
- Option Year 3- November 15, 2013 to November 14, 2014: \$1,648,399.90 net of all applicable taxes and charges; \$1,862,691.88 including HST charges; \$1,677,411.74 net of HST Recoveries.
- Option Year 4- November 15, 2014 to November 14, 2015: \$1,714,335.89 net of all applicable taxes and charges; \$1,937,199.56 including HST charges; \$1,744,508.20 net of HST Recoveries.

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The total potential contract award including options years is \$9,119,861.66 including HST and charges (\$8,070,674.04 net of all taxes). **The total potential cost to the City including option years is \$8,212,717.90 net of HST Recoveries.**

Number of Bids:

Three (3)

Financial Impact:

The total potential contract award identified in this report is \$9,119,861.66 including HST and charges. The total potential cost to the City is \$8,212,717.90 net of HST Recoveries. Funding in the amount of \$263,520.24 net of HST Recoveries is available in the 2010 Facilities & Real Estate Operating Budget in various cost centres under cost element 4407. Additional funds will be requested in the 2011-2015 Facilities Management Division Operating Budget submissions under cost element 4424. Additional details are provided below:

November 15, 2010 to December 31, 2010 (net of HST Recoveries)	January 1, 2011 to November 14, 2011 (net of HST Recoveries)	Option Yr. 1 Nov. 15, 2011 to Nov. 14, 2012 (net of HST Recoveries)	Option Yr. 2 Nov. 15, 2012 to Nov. 14, 2013 (net of HST Recoveries)	Option Yr. 3 Nov. 15, 2013 to Nov. 15, 2014 (net of HST Recoveries)	Option Yr. 4 Nov. 15, 2014 to Nov. 14, 2015 (net of HST Recoveries)
\$ 263,520.24	\$1,317,601.20	\$1,581,121.44	\$1,628,555.08	\$1,677,411.74	\$1,744,508.20

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(2) CONTRACT DETAILS
APPENDIX #5

Date: November 4, 2010

Call No:

Request for Quotation No. 3412-10-3135

Description:

For the non-exclusive support and maintenance Services for the City's Intel Class Servers under warranty and off-warranty for the period from January 1, 2011 to December 31, 2013 with the option to renew the Contract for two (2) additional separate one (1) year periods at the sole discretion of the City and subject to budget approval. Should the option(s) be exercised then the Executive Director of Information & Technology will instruct the Chief Purchasing Official to process the necessary contract renewals under the same terms and conditions.

Call Dates:

Issued August 31, 2010 Closed September 23, 2010

Ward No:

All Wards

Recommended Bidder/Proponent:

Brains II Inc.

Contract Award Value:

From January 1, 2011 to December 31, 2013

\$493,344.00 net of all applicable taxes and charges

\$557,478.72 inclusive of HST and charges

\$502,026.85 net of HST Recoveries

Option Year 1: January 1, 2014 to December 31, 2014

\$164,448.00 net of all applicable taxes and charges

\$185,826.24 inclusive of HST and charges

\$167,342.28 net of HST Recoveries

Option Year 2: January 1, 2015 to December 31, 2015

\$164,448.00 net of all applicable taxes and charges

\$185,826.24 inclusive of HST and charges

\$167,342.28 net of HST Recoveries

The total potential contract award including all optional years identified in this report is \$822,240.00 net of all taxes and charges. The total potential contract award including option years is \$929,131.20 inclusive of HST and all charges. **The total potential cost to the City including option years is \$836,711.41 net of HST recoveries.**

Number of Bids:

Two (2) Bids, One (1) Non-Compliant

APPENDIX #5

Financial Impact:

The total potential contract award identified in this report including option years is \$929,131.20 inclusive of HST and charges. The total potential cost to the City is \$836,711.41 net of HST Recoveries. The total contract value for the first three years is \$502,026.85 net of HST recoveries. Funding in the amount of \$167,342.28 net of HST recoveries will be requested in the 2011 Information & Technology Division Operating Budget submission in cost element 4472. User programs will be charged back for the costs of their Intel hardware maintenance. Funds for 2012-2013 will be requested each year in the Information & Technology Operating Budget submissions. Should the options be exercised, then additional funds will be requested in the 2014-2015 Operating Budget submissions. Divisions will need to demonstrate to the Information and Technology Division that sufficient funds are in place before receiving Intel hardware maintenance under this contract. Additional funding details are provided below:

ACCOUNTS	JAN 1, 2011 TO DEC 31, 2011 (NET OF HST RECOVERIES)	JAN 1, 2012 TO DEC 31, 2012 (NET HST RECOVERIES)	JAN 1, 2013 TO DEC 31 , 2013 (NET HST RECOVERIES)	TOTAL TERM OF CONTRACT (NET HST RECOVERIES)	OPTION YEAR ONE (1) JAN 1, 2014 TO DEC 31, 2014 (NET HST RECOVERIES)	OPTION YEAR TWO (2) JAN 1, 2015 TO DEC 31 , 2015 (NET HST RECOVERIES)	GRAND TOTAL (NET HST RECOVERIES)
VARIOUS	\$167,342.28	\$167,342.28	\$167,342.28	\$502,026.85	\$167,342.28	\$167,342.29	\$836,711.41

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