



BID AWARD PANEL CONTRACT AWARD

Award of Request for Quotation No. 1101-18-0248 for indoor & outdoor painting services for the City of Toronto's Facilities Management Division to P.S. Painting Ltd. and Calverley Painting & Decorating Ltd.

Date: October 11, 2018
To: Bid Award Panel
From: Chief Purchasing Officer
Wards: All

RECOMMENDATIONS

The Chief Purchasing Officer recommends that the Bid Award Panel, pursuant to Section 195-8.3(3) of the Municipal Code, Chapter 195, Purchasing, exercise the power of a Standing Committee to grant authority to award the following contract:

Call Number:
RFQ No. 1101-18-0248

Description:
The non-exclusive supply of all the necessary labour, materials, supplies, equipment & warranty for indoor & outdoor painting services for the City of Toronto's Facilities Management Division for a period of one (1) year, with the option to renew the Contract for four (4) additional one (1) year periods.

Should the options be exercised, then the General Manager of Facilities Management will request the Chief Purchasing Officer to process the renewals under the same terms and conditions.

Recommended Bidders:
Firm A) P.S. Painting Ltd. (Parts: A, D, E, F and G)
Firm B) Calverley Painting & Decorating Ltd. (Parts B and C)

Contract Award Value:
P.S. Painting Ltd. (Parts: A, D, E, F & G):
\$ 2,907,702 net of all applicable taxes and charges
\$ 3,285,703 including HST and all applicable charges
\$ 2,958,878 net of HST recoveries

Contract is expected to start on date of award and end on September 30, 2019

Option Year 1 (October 1, 2019 to September 30, 2020)
\$ 2,994,933 net of all applicable taxes and charges
\$ 3,384,274 including HST and all applicable charges
\$ 3,047,644 net of HST recoveries

Option Year 2 (October 1, 2020 to September 30, 2021)
\$ 3,084,781 net of all applicable taxes and charges
\$ 3,485,803 including HST and all applicable charges
\$ 3,139,073 net of HST recoveries

Option Year 3 (October 1, 2021 to September 30, 2022)
\$ 3,177,324 net of all applicable taxes and charges
\$ 3,590,376 including HST and all applicable charges
\$ 3,233,245 net of HST recoveries

Option Year 4 (October 1, 2022 to September 30, 2023)
\$ 3,272,644 net of all applicable taxes and charges
\$ 3,698,088 including HST and all applicable charges
\$ 3,330,243 net of HST recoveries

The total potential contract award to P.S. Painting Ltd. including all option years for contract award is \$15,709,083 net of HST recoveries. The total potential contract award including all option years is \$17,444,244 including all applicable taxes and charges and \$15,437,384 net of all taxes and charges.

Contract Award Value:

Calverley Painting & Decorating Ltd. (Parts B and C)
\$ 1,023,769 net of all applicable taxes and charges
\$ 1,156,859 including HST and all applicable charges
\$ 1,041,787 net of HST recoveries

Contract is expected to start on date of award and end on September 30, 2019

Option Year 1 (October 1, 2019 to September 30, 2020)
\$ 1,054,482 net of all applicable taxes and charges
\$ 1,191,565 including HST and all applicable charges
\$ 1,073,041 net of HST recoveries

Option Year 2 (October 1, 2020 to September 30, 2021)
\$ 1,086,116 net of all applicable taxes and charges
\$ 1,227,311 including HST and all applicable charges
\$ 1,105,232 net of HST recoveries

Option Year 3 (October 1, 2021 to September 30, 2022)
\$ 1,118,699 net of all applicable taxes and charges
\$ 1,264,130 including HST and all applicable charges
\$ 1,138,388 net of HST recoveries

Option Year 4 (October 1, 2022 to September 30, 2023)
\$ 1,152,260 net of all applicable taxes and charges
\$ 1,302,054 including HST and all applicable charges
\$ 1,172,540 net of HST recoveries

The total potential award to Calverley Painting & Decorating Ltd. including all option years for contract award is \$5,530,988 net of HST recoveries. The total potential contract award including all option years is \$6,141,919 including all applicable taxes and charges, \$5,435,326 net of all taxes and charges.

The total potential award identified in this report including all option years for two (2) awards is \$20,872,710 net of all applicable taxes and charges;
\$23,586,163 including all applicable taxes and charges. **The total potential cost to the City including all option years is \$21,240,071 net of HST recoveries.**

Contracts are expected to start on the date of award and end on September 30, 2019, with the option to renew the Contract for four (4) additional and separate one (1) year periods.

The above cost calculations for the Option Years reflects an estimated 3% increase as per the Consumer Price Index.

FINANCIAL IMPACT

The total potential contract award identified in this report, including all option years, is \$23,586,163 including all applicable taxes and charges. The total potential cost to the City, including the option years is \$21,240,071 net of HST recoveries.

Funding in the amount of \$1,200,000 net of HST recoveries is available in the 2018 Approved Operating Budget for Facilities, Real Estate, Environment & Energy. Additional funds for the balance of the contract award amount will be requested in the 2019 Operating Budget Submission for Facilities, Real Estate, Environment & Energy.

Should the City choose to exercise its option(s) to renew for the four (4) additional, separate one (1) year periods, then appropriate additional funding, if needed, will be included in 2019-2023 Operating Budget Submissions for Facilities, Real Estate, Environment & Energy. Funding details are provided in Table 1 to follow:

Table 1: Financial Impact Summary of the Recommended Contract (Net of HST Recoveries)

| GL Account/ Cost Centres | Base Period: Date of award to September 30, 2019 | Optional Period 1: October 1, 2019 to September 30, 2020 | Optional Period 2: October 1, 2020 to September 30, 2021 | Optional Period 3: October 1, 2021 to September 30, 2022 | Optional Period 4: October 1, 2022 to September 30, 2023 |
|-----------------------------|---|---|---|---|---|
| FA100-30 C/E 4424 | \$4,000,665 | \$4,120,685 | \$4,244,305 | \$4,371,633 | \$4,502,783 |
| Total | | | | | \$21,240,071 |

CALL SUMMARY

Call Issued: July 16, 2018

Call Closed: August 16, 2018

Number of Addenda Issued: One (1)

Number of Bids: Four (4)

Table 2: Summary of Bids Received for RFQ No. 1101-18-0248, including Bid price

| Bidder Name | Evaluated Bid Price (including HST): |
|--------------------------------------|--|
| P.S. Painting Ltd. | Part A: \$474,557.63 Part B: \$457,655.65 Part C: \$754,896.50 Part D: \$550,932.63 Part E: \$291,116.25 Part F: \$1,046,083.94 Part G: \$923,012.25 |
| Calverley Painting & Decorating Ltd. | Part A: \$480,201.98 Part B: \$438,382.37 Part C: \$718,476.60 Part D: \$578,599.55 * Part E: \$291,356.94 Part F: \$1,146,577.10 * Part G: \$995,220.38 |

| Bidder Name | Evaluated Bid Price (including HST): |
|-------------------------|--|
| Index Construction Inc. | Part A: \$497,242.38 Part B: \$460,147.30 Part C: \$756,009.55 Part D: \$593,019.48 Part E: \$300,082.80 Part F: \$1,177,156.03 Part G: \$1,022,163.43 |
| Marando Painting Ltd. | Part A: \$699,046.25 Part B: \$732,353.00 Part C: \$1,210,314.75 Part D: \$767,851.95 Part E: \$416,376.75 Part F: \$1,423,071.15 Part G: \$1,362,667.00 |

*Bid prices were corrected for mathematical errors. Purchasing & Materials Management has verified that the mathematical errors were corrected.

DIVISION CONTACTS

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COMMENTS

For the recommended contract award, the following requirements have been met:

- a. City Council is in summer recess and pursuant to the Municipal Code, Chapter 195, Purchasing, Sections 195-8.3(3), the Bid Award Panel has authority to exercise the power of a Standing Committee to make an award that exceeds \$20,000,000 (excluding applicable taxes);
- b. The firm recommended for award is the lowest bidder meeting specifications based on the evaluation criteria included in the call and meeting the requirements of the call;
- c. the appropriate Division has reviewed submissions and found the price to be reasonable, within available budget and concurs with the recommendation;
- d. the contract term is:

1. for a contract funded by the operating budget, 5 years or less including any option years; or

2. for a contract funded by the capital budget, within the projected term of the capital funding for the project as set out in the capital budget,

being within the delegated authority of the Bid Award Panel;

e. there are no material written objections to the award;

f. the call document was advertised on the City's internet website and bids were opened publicly; and

g. 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

Michael Pacholok
Chief Purchasing Officer