



BID AWARD PANEL CONTRACT AWARD

Award of Request for Quotation (RFQ) No. 6029-19-0064 for the Non-Exclusive Supply and Delivery of Traffic Control Equipment.

Date: May 30, 2019

To: Bid Award Panel
From: Chief Purchasing Officer
Wards: All

RECOMMENDATIONS

The Chief Purchasing Officer recommends that the Bid Award Panel grant authority to award the following contract:

Call Number:
RFQ No. 6029-19-0064

Description:

For the non-exclusive supply and delivery of Traffic Control Equipment to various Purchasing and Materials Management (Stores) locations from the date of award to May 31, 2020, with the option to renew the Contract for one (1) additional separate option year period at the sole discretion of the City and subject to budget approval(s).

Prior to the renewal of the contract, PMMD will perform a market analysis to verify the current market conditions. Purchasing and Materials Management Division will monitor vendor performance during the duration of the contract.

Should the option(s) be exercised, then the Manager of Materials Management and Stores will request the Chief Purchasing Officer to process the renewals under the same terms and conditions.

Recommended Bidders:

Econolite Canada Inc.
Tacel Ltd.
Orange Traffic Inc.

Econolite Canada Inc. (Part A)

Contract Award Value:

\$482,806 net of all applicable taxes and charges (including 25% for miscellaneous items)
\$545,571 including HST and all applicable charges
\$491,303 net of HST recoveries

Option Year 1 (June 1, 2020 to May 31, 2021)
\$497,290 net of all applicable taxes and charges (including 25% for miscellaneous items)
\$561,938 including HST and all applicable charges
\$506,042 net of HST recoveries

The total potential contract award including all option years is \$997,345 net of HST recoveries, \$1,107,509 including all applicable taxes and charges and \$980,096 net of all applicable taxes and charges.

Tacel Ltd. (Part B & D)

Contract Award Value:

Part B & Part D: Tacel Ltd.

\$965,927 net of all applicable taxes and charges (including 25% for miscellaneous items)
\$1,091,498 including HST and all applicable charges
\$982,928 net of HST recoveries

Option Year 1 (June 1, 2020 to May 31, 2021)
\$994,905 net of all applicable taxes and charges (including 25% for miscellaneous items)
\$1,124,243 including HST and all applicable charges
\$1,012,416 net of HST recoveries

The total potential contract award including all option years is \$1,995,344 net of HST recoveries, \$2,215,741 including all applicable taxes and charges and \$1,960,832 net of all applicable taxes and charges.

Orange Traffic Inc. (Part C)

Contract Award Value:

Part C: Orange Traffic Inc.

\$652,994 net of all applicable taxes and charges (including 25% for miscellaneous items)
\$737,883 including HST and all applicable charges
\$664,486 net of HST recoveries

Option Year 1 (June 1, 2020 to May 31, 2021)
\$672,584 net of all applicable taxes and charges (including 25% for miscellaneous items)
\$760,019 including HST and all applicable charges
\$684,421 net of HST recoveries

The total potential contract award including all option years is \$1,348,907 net of HST recoveries, \$1,497,902 including all applicable taxes and charges and \$1,325,578 net of all applicable taxes and charges.

Contract is expected to start on date of award and end on May 31, 2020

The total potential contract award including all option years for all awards is \$4,341,596 net of HST recoveries, \$4,821,152 including all applicable taxes and charges and \$4,266,506 net of all applicable taxes and charges.

The above cost calculations for the Optional Year(s) reflects an estimated 3 percent increase in the Consumer Price Index - All Items.

Novax Industries Corporation to receive contract award for Part E and Part F for which they were the lowest bidders meeting the specifications on, in the total amount of \$196,885 net of all applicable taxes and charges (\$200,350 net of HST recoveries) including all option years, all in accordance with the Purchasing By-Law 195-8, Toronto Municipal Code Chapter 195 Article 8.1 - Authority to award.

FINANCIAL IMPACT

The total potential contract award identified in this report including the option years is \$4,821,152 including all applicable taxes and charges. The total potential cost to the City including the option years is \$4,341,596 net of HST recoveries.

The materials on this contract will be purchased for PMMD Stores inventory purposes. The material value will be held in inventory holding Balance Sheet accounts (160004, 160026, 160049, 160067, 160068, 160082, 160083, 160085, 160171) until City Divisions require the material to support their work programs at which time the material value is charged to the appropriate Divisions' approved operating budgets.

Funding for Date of award to May 31, 2020 will be included in the appropriate Divisions' 2019/2020 Operating Budget Submissions and should the option years be exercised, if required, appropriate additional funding, will be requested in the 2020-2021 budget submissions. The details are as follows:

Table 1: Financial Impact Summary of Recommended Contract

Period	Cost Centre 160004, 160026, 160049, 160067, 160068, 160082, 160083, 160085, 160171	Total (net of HST Recoveries)
Date of Award – December 31, 2019	\$1,247,585	
January 1, 2020 – May 31, 2020	\$891,132	
Total: Contract Period	\$2,138,717	
Total: 2019 Budget Year	\$1,247,585	\$1,247,585
June 1, 2020 – December 31, 2020	\$1,285,013	
January 1, 2021 – May 31, 2021	\$917,866	
Total: Option Year 1	\$2,202,879	
Total: 2020 Budget Year	\$2,176,145	\$2,176,145
Total: 2021 Budget Year	\$917,866	\$917,866
Grand Total	\$4,341,596	\$4,341,596

CALL SUMMARY

Call Issued: February 6, 2019

Call Closed: March 13, 2019

Number of Addenda Issued: Two (2)

Number of Bids: Four (4)

Table 2: Summary of Bids Received for RFQ# 6029-19-0064 (Part A) including bid price

Bidder Name	Base Bid Price (including 25% misc. and H.S.T.)
Econolite Canada Inc.	\$545,571

Table 3: Summary of Bids Received for RFQ# 6029-19-0064 (Part B) including bid price

Bidder Name	Base Bid Price (including 25% misc. and H.S.T.)
Tacel Ltd	\$825,569
Orange Traffic Corporation	\$923,860
Econlite Canada Inc.	\$852,537

Table 4: Summary of Bids Received for RFQ# 6029-19-0064 (Part C) including bid price

Bidder Name	Base Bid Price (including 25% misc. and H.S.T.)
Orange Traffic Corporation	\$737,883

Table 5: Summary of Bids Received for RFQ# 6029-19-0064 (Part D) including bid price

Bidder Name	Base Bid Price (including 25% misc. and H.S.T.)
Tacel Ltd	\$265,929

Table 6: Summary of Bids Received for RFQ# 6029-19-0064 (Part E) including bid price

Bidder Name	Base Bid Price (including 25% misc. and H.S.T.)
Novax Industries Corporation	\$29,655

Table 7: Summary of Bids Received for RFQ# 6029-19-0064 (Part F) including bid price

Bidder Name	Base Bid Price (including 25% misc. and H.S.T.)
Novax Industries Corporation	\$79,940
Tacel Ltd	\$92,922

DIVISION CONTACTS

Elena Caruso, Manager, Goods and Services, Purchasing & Materials Management
Telephone: 416-392-7316 E-Mail: elena.caruso@toronto.ca

Craig Mavin, Manager, Materials Management & Stores, Purchasing & Materials Management
Telephone: 416-392-6764 E-Mail: cmavin@toronto.ca

COMMENTS

For the recommended contract award, 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 appropriate Division has reviewed submissions and found the price to be reasonable, within available budget and concurs with the recommendation;

c. the total contract value is less than \$20 million dollars (excluding applicable taxes) and 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 authority of the Bid Award Panel;

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

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

f. 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
Purchasing and Materials Management