



BID AWARD PANEL CONTRACT AWARD

Award of Request for Quotation No. 0713-19-7126 to Neptune Technology Group Canada Co. for Supply, Delivery and Warranty of Water Meters and Various Appurtenances for Installation in the City's Water Distribution System

Date: June 27, 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:

Request for Quotation No. 0713-19-7126

Description:

For the Supply Delivery and Warranty of Water Meters and Various Appurtenances for Installation in the City's Water Distribution System, for a one (1) year period with the option to renew for four (4) additional and separate one (1) year periods.

Should the option(s) to renew be exercised, then the General Manager of Toronto Water Division will request the Chief Purchasing Officer to process the renewals under the same terms and conditions.

Recommended Bidder:

Neptune Technology Group Canada Co.

Contract Award Value:

\$2,060,004 net of all applicable taxes and charges
\$2,327,805 including HST and all applicable charges
\$2,096,260 net of HST recoveries

Contract is expected to start on date of award and end on June 30, 2020.

Option Period 1 - From July 1, 2020 to June 30, 2021

\$2,121,804 net of all applicable taxes and charges

\$2,397,640 including HST and all applicable charges

\$2,159,148 net of HST recoveries

Option Period 2 - From July 1, 2021 to June 30 2022

\$2,185,458 net of all applicable taxes and charges

\$2,469,569 including HST and all applicable charges

\$2,223,922 net of HST recoveries

Option Period 3 - From July 1, 2022 to June 30, 2023

\$2,251,022 net of all applicable taxes and charges

\$2,543,656 including HST and all applicable charges

\$2,290,640 net of HST recoveries

Option Period 4 - From July 1, 2023 to June 30, 2024

\$2,318,553 net of all applicable taxes and charges

\$2,619,966 including HST and all applicable charges

\$2,359,359 net of HST recoveries

The total potential contract award including all optional periods is \$11,129,329 net of HST recoveries, \$10,936,841 net of all applicable taxes and charges and \$12,358,636 including all applicable taxes and charges.

The above cost calculations for the Option Period reflects an estimated annual 3% increase as per the Consumer Price Index (CPI).

FINANCIAL IMPACT

The total potential contract award identified in this is \$12,358,636 including all applicable taxes and charges. The cost to the City is \$11,129,329 net of HST recoveries.

Funding is available in the 2019 Approved Capital Budget for Toronto Water and will be included in the 2020 Capital Budget for Toronto Water.

Should the City of Toronto choose to exercise its option(s) to renew for an additional four (4) separate one (1) year periods, then appropriate additional funding, if needed, will be included in the 2020-2024 Capital Budget Submissions for Toronto Water.

Funding details are provided in Table 1.

Table 1: Financial Impact Summary of Recommended Contract

G/L Account / Cost Centre	Date of Award to Dec 31, 2019	Contract Period Jan 1, 2020 to June 30, 2020	Option Period 1 - July 1, 2020 to June 30, 2021	Option Period 2 - July 1, 2021 to June 30, 2022	Option Period 3 - July 1, 2022 to June 30, 2023	Option Period 4 - July 1, 2023 to June 30, 2024	Total
Toronto Water CPW 532 – 02	\$1,048,130	\$1,048,130	\$2,159,148	\$2,223,922	\$2,290,640	\$2,359,359	\$11,129,329
Total (net of HST Recoveries)							\$11,129,329

CALL SUMMARY

Call Issued: April 25, 2019

Call Closed: May 27, 2019

Number of Addenda Issued: One (1)

Number of Bids: Three (2)

Table 2: Summary of Bids Received for Contract No. 0713-19-7126 including bid price:

Bidder	Bid Price (including H.S.T.)
Neptune Technology Group Canada Co.	\$2,327,805
ICONIX Waterworks Limited Partnership, by its general partner, ICONIX Waterworks (GP) Inc.	\$2,642,766

DIVISION CONTACTS

Leanne Dacosta, Acting Manager, Professional Services, Purchasing & Materials Management, Telephone: (416) 397-4801, Email: leanne.dacosta@toronto.ca

Carlo Casale, Manager, Customer Care Services, Customer & Technical Support, Toronto Water, Telephone: (416) 392-8279, Email: Carlo.casale@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 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