



BID AWARD PANEL CONTRACT AWARD

Award of Request for Quotation No. 4305-19-5011 to Dunlis Mechanical Services Ltd. for HVAC Preventive Maintenance and Repair Services for Various Long-Term Care locations.

Date: July 5, 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. 4305-19-5011

Description:

For the supply of all materials, labour, supplies and equipment required for the HVAC Preventive Maintenance and Repair Services for the City of Toronto's Seniors Services and Long-Term Care Division from the date of award for a period of one (1) year, with the option to renew the contract for four (4) additional separate one (1) year periods.

Should the option(s) be exercised, then the General Manager, Seniors Services and Long-Term Care will request the Chief Purchasing Officer to process the renewals under the same terms and conditions.

Recommended Bidder:
Dunlis Mechanical Services Ltd.

Contract Award Value:
\$ 1,714,578 net of all applicable taxes and charges
\$ 1,937,473 including all applicable taxes and charges
\$ 1,744,754 net of HST recoveries

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

Option Year 1 – July 01, 2020 to June 30, 2021

\$ 1,766,015 net of all applicable taxes and charges

\$ 1,995,597 including all applicable taxes and charges

\$ 1,797,096 net of HST recoveries

Option Year 2 – July 01, 2021 to June 30, 2022

\$1,818,996 net of all applicable taxes and charges

\$ 2,055,465 including all applicable taxes and charges

\$ 1,851,010 net of HST recoveries

Option Year 3 – July 01, 2022 to June 30, 2023

\$ 1,873,566 net of all applicable taxes and charges

\$ 2,117,130 including all applicable taxes and charges

\$ 1,906,540 net of HST recoveries

Option Year 4 – July 01, 2023 to June 30, 2024

\$ 1,929,773 net of all applicable taxes and charges

\$ 2,180,643 including all applicable taxes and charges

\$ 1,963,736 net of HST recoveries

The total potential cost to the City, including the option years, is \$9,263,136 net of HST recoveries. The total potential contract award, including the option years, is \$10,286,306 including all applicable taxes and charges, \$9,102,928 net of all applicable taxes and charges.

The above cost calculations for the option years reflect an estimated 3% increase in the consumer price index (CPI)-all items.

FINANCIAL IMPACT

The total potential contract award identified in this report, including all option years, is \$ 10,286,306 including all applicable taxes and charges. The total potential cost to the City, including all option years is \$ 9,263,136 net of HST recoveries.

Funding in the amount of \$872,377 net of HST recoveries has been included in the 2019 Approved Operating Budget for Seniors Services and Long-Term Care. Additional funding in the amount of \$872,377 net of HST recoveries will be included in their 2020 Operating Budget Submission. Should the City choose to exercise renewal options, additional funding will be included in the future-year Operating Budget Submissions for Seniors Services and Long-Term Care. Funding details follow in Table 1:

Table 1: Financial Impact Summary of Recommended Contract

Cost Centre/ Cost Element	D3*061 C/E 4411, 4403, 4444
Contract Period (July 1 to December 31, 2019)	\$872,377
Contract Period (January 1 to June 31, 2020)	\$872,377
Option Year 1 (July 1 to December 31, 2020)	\$898,548
Option Year 1 (January 1, 2020 to June 30, 2021)	\$898,548
Option Year 2 (July 1 to December 31, 2021)	\$925,505
Option Year 2 (January 1 to June 30, 2022)	\$925,505
Option Year 3 (July 1 to December 31, 2022)	\$953,270
Option Year 3 (January 1 to June 30, 2023)	\$953,270
Option Year 4 (July 1 to December 31, 2023)	\$981,868
Option Year 4 (January 1 to June 30, 2024)	\$981,868
Grand Total (net of HST recoveries)	\$9,263,136

CALL SUMMARY

Call Issued: May 1, 2019 **Call Closed:** May 30, 2019

Number of Addenda Issued: Six (6)

Number of Bids: Five (5)

Table 2: Summary of Bids Received for RFQ No. 4305-19-5011 including bid price.

<u>Bidder Name</u>	<u>Bid Price (including HST)</u>
Carmichael Engineering Ltd	\$1,342,730*
Dunlis Mechanical Services Ltd.	\$1,937,473
Service Experts Commercial HVAC	\$2,216,661
Ambient Mechanical Ltd.	\$2,794,093
Tri-Air Systems Ltd.	\$3,088,713

* Bid was found non-compliant and therefore not considered further.

DIVISION CONTACTS

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Riaz Shaikh, Manager, Environmental Services, Seniors Services and Long-Term Care, 416-397-0553, riaz.shaikh@toronto.ca

COMMENTS

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

- (a) The firms recommended for award are the lowest bidder meeting specifications 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 Committee;
- (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