



BID AWARD PANEL CONTRACT AWARD

Award of Request for Quotation No. 4302-19-0082 to Ontario Duct Cleaning for the supply, delivery and cleaning of heating ventilation and air conditioning system ducts at various locations throughout the City of Toronto.

Date: August 1, 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. 4302-19-0082

Description:

For the non-exclusive supply and delivery of all labour, materials, equipment, supervision and warranty for Cleaning of Heating, Ventilation and Air Conditioning System Ducts at various locations throughout the City of Toronto for a period of one (1) year commencing from the date of award to July 31, 2020 with the option to renew the Contract for four (4) additional separate one (1) year periods.

Should the option to renew the contract be exercised then the General Manager, Solid Waste Management Services will request the Director of Purchasing and Materials Management to process the renewal under the same terms and conditions.

Recommended Bidder:
Ontario Duct Cleaning

Contract Award Value:
\$430,020 net of all applicable taxes and charges
\$485,923 including HST and all applicable charges
\$437,588 net of HST recoveries

The contract is expected to start from the date of award and end on July 31, 2020 with the option to renew the contract for four (4) additional separate one (1) year periods.

Option Year 1 - August 1, 2020 to July 31, 2021
\$442,921 net of all applicable taxes and charges
\$500,500 including HST and all applicable charges
\$450,716 net of HST recoveries

Option Year 2 - August 1, 2021 to July 31, 2022
\$456,208 net of all applicable taxes and charges
\$515,515 including HST and all applicable charges
\$464,237 net of HST recoveries

Option Year 3 - August 1, 2022 to July 31, 2023
\$469,894 net of all applicable taxes and charges
\$530,981 including HST and all applicable charges
\$478,165 net of HST recoveries

Option Year 4 - August 1, 2023 to July 31, 2024
\$483,991 net of all applicable taxes and charges
\$546,910 including HST and all applicable charges
\$492,510 net of HST recoveries

The total potential cost to the city including all option years is \$2,323,216 net of HST recoveries, \$2,579,829 including all applicable taxes and charges and \$2,283,034 Net of all applicable taxes and charges.

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

FINANCIAL IMPACT

The total potential contract award identified in this report including the option years is \$2,323,216 net of HST recoveries, \$2,579,829 including all applicable taxes and charges and \$2,283,034 Net of all applicable taxes and charges.

Funding is available in the 2019 Approved Capital Budget & 2020-2028 Approved Capital Plan for Solid Waste Management Services. Funding is also available in the 2019 Approved Operating Budget for Facilities, Real Estate, Environment & Energy Divisions. Additional funding will be requested in the 2020 Operating Budget Submission for Facilities, Real Estate, Environment & Energy Division.

Should the City choose to exercise its option to renew the contract for any of the additional four (4) separate one (1) year periods, then appropriate additional funding, if needed, will be requested in the 2021-2024 Capital and Operating Budget Submissions for Solid Waste Management Services and Facilities, Real Estate, Environment & Energy Division.

The cash flow funding requirement for this service is summarized in the following table (net of HST recoveries).

Table 1: Financial Impact Summary of Recommended Contract (net of HST recoveries).

Division	WBS Element/ Cost Centre	C/E	Initial Term		First Option Year	Second Option Year	Third Option Year	Fourth Option Year	Grand Total for each Division (net of HST Recoveries)
			Date of Award to December 31, 2019	January 1, 2020 to July 31, 2020	August 1, 2020 to July 31, 2021	August 1, 2021 to July 31, 2022	August 1, 2022 to July 31, 2023	August 1, 2023 to July 31, 2024	
Solid Waste Management Services (PARTS A+B)	CSW390-18	4411	\$95,661	\$191,322	\$295,593	\$304,461	\$313,595	\$323,003	\$1,523,635
Facilities Management (PARTS A+B)	FA100-30	4424	\$50,202	\$100,403	\$155,123	\$159,776	\$164,570	\$169,507	\$799,581
Grand Total Of All Divisions Net Of HST Recoveries			\$145,863	\$291,725	\$450,716	\$464,237	\$478,165	\$492,510	\$2,323,216

CALL SUMMARY

Call Issued: April 5, 2019 **Call Closed:** May 10, 2019
Number of Addenda Issued: None
Number of Bids: One (1)

Table 2: Summary of Bids Received for RFQ No. 4302-19-0082 including bid price

Firm Name	Bid Price (including H.S.T.)
Ontario Duct Cleaning	\$485,922.60

DIVISION CONTACTS

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

Grace Maione, Manager, Transfer Station & Landfill Operations, Solid Waste
Management Services Division, 416-392-2447, Grace.Maione@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