



## BID AWARD PANEL CONTRACT AWARD

### **Award of Request for Quotation No. 4201-19-5043 to Gorbern Mechanical Contractors Ltd. for the Plumbing/Drain Repairs and Services at various City of Toronto Shelters**

**Date:** September 9, 2019  
**To:** Bid Award Panel  
**From:** Chief Purchasing Officer  
**Wards:** All

#### **RECOMMENDATIONS**

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

**Call Number:**  
RFQ No. 4201-19-5043

**Description:**

For the non-exclusive supply of materials, labour, supplies and equipment required for Plumbing/Drain Repairs and Services at various City of Toronto Shelters, as and when required, for the period of one year from date of award to September 30, 2020 with the option to renew for four (4) additional separate one (1) year terms at the sole discretion of the City and subject to budget approval(s).

Should the option(s) be exercised, then the General Manager of Shelter, Support & Housing Administration will request the Chief Purchasing Officer to process the renewals under the same terms and conditions.

**Recommended Bidder:**

Gorbern Mechanical Contractors Ltd.

**Contract Award Value:**

\$410,591 net of all applicable taxes and charges  
\$463,968 including HST and all applicable charges  
**\$417,817 net of HST recoveries**

**The contract is expected to start on date of award and end on September 30, 2020**

Option Year 1 (October 1, 2020 to September 30, 2021)  
\$422,909 net of all applicable taxes and charges  
\$477,887 including HST and all applicable charges  
\$430,352 net of HST recoveries

Option Year 2 (October 1, 2021 to September 30, 2022)  
\$435,596 net of all applicable taxes and charges  
\$492,223 including HST and all applicable charges  
\$443,262 net of HST recoveries

Option Year 3 (October 1, 2022 to September 30, 2023)  
\$448,664 net of all applicable taxes and charges  
\$506,990 including HST and all applicable charges  
\$456,560 net of HST recoveries

Option Year 4 (October 1, 2023 to September 30, 2024)  
\$462,124 net of all applicable taxes and charges  
\$522,200 including HST and all applicable charges  
\$470,257 net of HST recoveries

The total potential contract award including all option years is \$2,179,884 net of all applicable taxes and charges, and \$2,463,269 including all applicable taxes and charges. **The total potential cost to the City including all option years is \$2,218,250 net of HST recoveries.**

The above cost calculations for the option years reflect an estimated annual 3 percent increase in the Consumer Price Index (CPI).

## **FINANCIAL IMPACT**

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The total potential contract award identified in this report is \$2,463,269 including all applicable taxes and charges. The total potential cost to the City is \$2,218,250 net of HST recoveries.

Funding has been included in the 2019 Approved Operating Budget for Shelter, Support and Housing Administration. Additional funding for the remainder of the contract period will be requested in their 2020 Operating Budget Submission.

Should the City chose to exercise its options to renew for the four (4) additional one (1) year periods, additional funds will be included in the 2020-2024 Shelter, Support and Housing Administration Division's Operating Budget submissions. The details are as follows:

Table 1: Financial Impact Summary of Recommended Contract

Period	Cost Centre *F01123, F01223, F01323, F01423, F01523, F03072, F03123, F03223, F03323, F03423, F03523, F03702, F0373, F65055, FH5351 C/E 4412	Total (net of HST Recoveries)
Date of award – December 31, 2019	\$104,454	
January 1, 2020 – September 30, 2020	\$313,363	
Total: Contract Period	\$417,817	\$417,817
Total: 2019 Budget Year	\$104,454	
Oct 1, 2020 – December 31, 2020	\$107,588	
January 1, 2021 – September 30, 2021	\$322,764	
Total: Option Year 1	\$430,352	\$430,352
Total: 2020 Budget Year	\$420,951	
Oct 1, 2021 – December 31, 2021	\$110,816	
January 1, 2022 – September 30, 2022	\$332,447	
Total: Option Year 2	\$443,262	\$443,262
Total: 2021 Budget Year	\$433,580	
Oct 1, 2022 – December 31, 2022	\$114,140	
January 1, 2023 – September 30, 2023	\$342,420	
Total: Option Year 3	\$456,560	\$456,560
Total: 2022 Budget Year	\$446,587	
Oct 1, 2023 – December 31, 2023	\$117,564	
January 1, 2024 – September 30, 2024	\$352,693	
Total: Option Year 4	\$470,257	\$470,457
Total: 2023 Budget Year	\$459,985	
Total: 2024 Budget Year	\$352,693	
Grand Total	\$2,218,250	\$2,218,250

## CALL SUMMARY

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**Call Issued:** July 29, 2019

**Call Closed:** August 13, 2019

**Number of Addenda Issued:** One (1)

**Number of Bids:** Two (2)

Table 2: Summary of Bids Received for RFQ No. 4201-19-5043 including bid price

Bidder Name	Bid Price (including H.S.T.)
Gorbern Mechanical Contractors Ltd.	\$463,968 *
Pipe-All Plumbing and Heating Ltd.	\$512,681

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

## DIVISION CONTACTS

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## COMMENTS

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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**

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Michael Pacholok  
Chief Purchasing Officer