



BID AWARD PANEL CONTRACT AWARD

Award of Request for Quotation No. 4305-19-5044 to Carmichael Engineering Ltd. for the HVAC Preventative Maintenance Services and Emergency Repairs at various City of Toronto's Shelters

Date: November 4, 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. 4305-19-5044

Description:

For the non-exclusive supply and delivery of all labour, equipment and materials necessary for the HVAC Preventative Maintenance Services and Emergency Repairs at various City of Toronto's Shelters, operated by the Shelter, Support & Housing Administration Division for the period of one year from the date of award to October 31, 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:
Carmichael Engineering Ltd.

Contract Award Value:
\$456,700 net of all applicable taxes and charges
\$516,071 including HST and all applicable charges
\$464,738 net of HST recoveries

The contract is expected to start on date of award and end on October 31, 2020

Option Year 1 (November 1, 2020 to October 31, 2021)
\$470,401 net of all applicable taxes and charges
\$531,553 including HST and all applicable charges
\$478,680 net of HST recoveries

Option Year 2 (November 1, 2021 to October 31, 2022)
\$484,513 net of all applicable taxes and charges
\$547,500 including HST and all applicable charges
\$493,040 net of HST recoveries

Option Year 3 (November 1, 2022 to October 31, 2023)
\$499,048 net of all applicable taxes and charges
\$563,925 including HST and all applicable charges
\$507,832 net of HST recoveries

Option Year 4 (November 1, 2023 to October 31, 2024)
\$514,020 net of all applicable taxes and charges
\$580,842 including HST and all applicable charges
\$523,067 net of HST recoveries

The total potential contract award including all option years is \$2,424,682 net of all applicable taxes and charges, and \$2,739,891 including all applicable taxes and charges. **The total potential cost to the City including all option years is \$2,467,357 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

The total potential contract award identified in this report is **\$2,739,891** including all applicable taxes and charges. The total potential cost to the City is **\$2,467,357** net of HST recoveries.

Funding has been included in the 2019 Approved Operating Budget and the 2019 Approved Capital Budget and 2020-2028 Approved Capital Plan 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 and Capital 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, F03703, F65055, FH5351, CHS040-03, CHS027-14 C/E 4412	Total (net of HST Recoveries)
Date of award – December 31, 2019	\$77,456	
January 1, 2020 – October 31, 2020	\$387,282	
Total: Contract Period	\$464,738	\$464,738
Total: 2019 Budget Year	\$77,456	
Nov 1, 2020 – December 31, 2020	\$79,780	
January 1, 2021 – October 31, 2021	\$398,900	
Total: Option Year 1	\$478,680	\$478,680
Total: 2020 Budget Year	\$467,062	
Nov 1, 2021 – December 31, 2021	\$82,173	
January 1, 2022 – October 31, 2022	\$410,867	
Total: Option Year 2	\$493,040	\$493,040
Total: 2021 Budget Year	\$481,073	
Nov 1, 2022 – December 31, 2022	\$84,639	
January 1, 2023 – October 31, 2023	\$423,193	
Total: Option Year 3	\$507,832	\$507,832
Total: 2022 Budget Year	\$495,506	
Nov 1, 2023 – December 31, 2023	\$87,178	
January 1, 2024 – October 31, 2024	\$435,889	
Total: Option Year 4	\$523,067	\$523,067
Total: 2023 Budget Year	\$510,371	
Total: 2024 Budget Year	\$435,889	
Grand Total	\$2,467,357	\$2,467,357

CALL SUMMARY

Call Issued: August 15, 2019

Call Closed: September 6, 2019

Number of Addenda Issued: One (1)

Number of Bids: Two (2)

Table 2: Summary of Bids Received for RFQ No. 4305-19-5044 including bid price.

Bidder Name	Bid Price (including H.S.T.)
Smith and Long Mechanical Limited	\$453,450 *
Carmichael Engineering Ltd.	\$500,589 (including 3% prompt payment discount)

* Bidder was found non-compliant with mandatory requirements.

DIVISION CONTACTS

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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