



BID AWARD PANEL CONTRACT AWARD

Award of Request for Quotation No. 1217-19-7176 to Ainsworth Inc. and Trade-Mark Industrial Inc. for the Supply and Delivery of Electrical, Mechanical and Instrumentation Services to various locations for City of Toronto Water Division

Date: January 7, 2020
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. 1217-19-7176

Description:
For Non-exclusive supply and delivery of Electrical, Mechanical, and Instrumentation Services for the City of Toronto's Water Division.

Initial award shall be for a period of one (1) year with the option to renew the Contract for two (2) optional years.

Recommended Bidders:
1- Ainsworth Inc. (Primary vendor)
2- Trade-Mark Industrial Inc. (Secondary vendor)

Ainsworth Inc.

Contract Award Value:
\$2,893,000 net of all applicable taxes and charges
\$3,269,090 including HST and all applicable charges
\$2,943,917 net of HST recoveries

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

Option Year 1: From November 1, 2020 to October 30, 2021
\$2,866,490 net of all applicable taxes and charges
\$3,239,134 including HST and all applicable charges
\$3,004,448 net of HST recoveries

Option Year 2: From November 1, 2021 to October 30, 2022
\$2,952,485 net of all applicable taxes and charges
\$3,336,308 including HST and all applicable charges
\$3,004,448 net of HST recoveries

The total potential contract award including all optional periods is \$8,865,306 net of HST recoveries, \$8,711,975 net of all applicable taxes and charges and \$9,844,532 including all applicable taxes and charges.

Trade-Mark Industrial Inc.

Contract Award Value:

\$2,367,000 net of all applicable taxes and charges
\$2,674,710 including HST and all applicable charges
\$2,408,659 net of HST recoveries

Contract is expected to start on date of award and end on October 31, 2020.

Option Year 1: From November 1, 2020 to October 30, 2021
\$2,345,310 net of all applicable taxes and charges
\$2,650,200 including HST and all applicable charges
\$2,386,587 net of HST recoveries

Option Year 2: From November 1, 2021 to October 30, 2022
\$2,415,669 net of all applicable taxes and charges
\$2,729,706 including HST and all applicable charges
\$2,458,185 net of HST recoveries

The total potential contract award including all optional years is \$7,253,432 net of HST recoveries, \$7,127,979 net of all applicable taxes and charges and \$8,054,617 including all applicable taxes and charges.

The total potential award for all contracts identified in this report, including all option years is \$16,118,738 net of HST recoveries, \$15,839,954 net of all applicable taxes and charges and \$17,899,148 including all applicable taxes and charges

The above cost calculations for the Option Years reflects an estimated annual 3% increase as per the Industrial Product Price Index (IPPI).

FINANCIAL IMPACT

The total potential award for all contracts identified in this report, including all option years is \$16,118,738 net of HST recoveries, \$15,839,954 net of all applicable taxes and charges and \$17,899,148 including all applicable taxes and charges

Funding for 2019 is available in the 2019 Approved Capital and Operating budgets for Toronto Water. Additional funding for the 2020 requirements is included in the 2020 Recommended Capital and Operating budgets for Toronto Water.

Should the City of Toronto choose to exercise its option(s) to renew for an additional two (2) separate one (1) year periods, then appropriate additional funding, if needed, will be included in the 2021-2022 Capital and Operating Budget submissions.

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 Oct. 31, 2020	Option Period 1 - Nov 1, 2020 to Oct. 31, 2021	Option Period 2 - Nov. 1, 2021 to Oct. 31, 2022	Total
TW 2040, TW 2055, TW 2060, TW 7020 GL 4403, 4424	59,360	459,616	324,920	334,667	1,178,563
CPW061-03	42,400	212,000	262,032	269,893	786,325
CPW063-01	0	152,640	157,219	161,936	471,795
CPW064-01	25,440	127,200	157,219	161,936	471,795
CWW036-01	42,400	212,000	262,032	269,893	786,325
CWW037-19	84,800	424,000	500,000	500,000	1,572,650
CWW041-03	0	2,544,000	2,480,000	2,560,000	7,863,250
CWW441-06	0	145,630	150,000	150,000	1,258,120
CWW476-08	0	668,450	852,866	892,866	1,258,120
CPW060-01	25,440	127,200	157,219	161,936	471,795
Total (net of HST Recoveries)	\$279,840	\$5,072,736	\$5,303,527	\$5,462,635	\$16,118,738

CALL SUMMARY

Call Issued: August 19, 2019
Number of Addenda Issued: Two (2)

Call Closed: September 23, 2019

Number of Bids: Two (2)

Table 2: Summary of Bids Received for Contract No. 1217-19-7176 including bid price:

Bidder Name	Evaluated Bid Price (Including H.S.T.)
Ainsworth Inc.*	\$6,100,528.74
Trade-Mark Industrial Inc.**	\$6,231,196.29

* Primary Vendor

** Secondary Vendor

Pursuant to the terms of the RFQ the Primary vendor to be awarded 55% of overall contract value, and the Secondary vendor to be awarded 45% of overall contract value. This is reflected in the Contract Award values in this report.

DIVISION CONTACTS

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Maurice Balaski, Manager, Toronto Water Division, Telephone: 416-392-5052, Email: Maurice.balaski@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