



## **BID AWARD PANEL CONTRACT AWARD**

### **Award of Ariba Document Number 2972447321 to Custom Power Generators Ltd. to perform Scheduled Maintenance, Repair and Emergency Repair Services of Backup Diesel Generators for Toronto Water**

**Date:** September 23, 2021  
**To:** Bid Award Panel  
**From:** Chief Procurement Officer  
**Wards:** All

#### **RECOMMENDATIONS**

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

**Solicitation Number:**

Request for Quotation (RFQ) Ariba Document Number 2972447321

**Description:**

For the non-exclusive supply and delivery of all labour, parts, materials, services, supplies, tools, equipment and incidentals necessary to perform Scheduled Maintenance, Repair and Emergency Repair Services for Toronto Water Backup Diesel Generators, for a period of two (2) years, with an option to extend the agreement on the same terms and conditions for three (3) additional one (1) year terms.

Should the option(s) be exercised, then the General Manager, Toronto Water will request the Chief Procurement Officer to process the renewals under the same terms and conditions.

**Recommended Supplier:**

Custom Power Generators Ltd. - All three districts

**Contract Award Value:**

**Price Form A- Central District**

\$ 535,286 net of all applicable taxes and charges

\$ 604,873 including HST and all applicable charges

**\$ 544,707 net of HST recoveries**

**Contract is expected to start on the date of award and end on September 30, 2023.**

Option Year 1 - From Oct 1, 2023 to Sept 30, 2024  
\$ 275,672 net of all applicable taxes and charges  
\$ 311,510 including HST and all applicable charges  
\$ 280,524 net of HST recoveries.

Option Year 2- Oct 1, 2024 to Sept 30, 2025  
\$ 283,942 net of all applicable taxes and charges  
\$ 320,855 including HST and all applicable charges  
\$ 288,940 net of HST recoveries.

Option Year 3- Oct 1, 2025 to Sept 30, 2026  
\$ 292,461 net of all applicable taxes and charges  
\$ 330,481 including HST and all applicable charges  
\$ 297,608 net of HST recoveries.

**The total potential award including all options years is \$1,411,779 net of HST recoveries, \$1,567,718 including all applicable taxes and charges and \$1,387,361 net of all applicable taxes and charges.**

**Price Form B- West District**

\$371,615 net of all applicable taxes and charges  
\$419,925 including HST and all applicable charges  
**\$378,155 net of HST recoveries**

**Contract is expected to start on the date of award and end on September 30, 2023.**

Option Year 1 - From Oct 1, 2023 to Sept 30, 2024  
\$191,382 net of all applicable taxes and charges  
\$ 216,261 including HST and all applicable charges  
\$ 194,750 net of HST recoveries.

Option Year 2- Oct 1, 2024 to Sept 30, 2025  
\$ 197,123 net of all applicable taxes and charges  
\$ 222,749 including HST and all applicable charges  
\$ 200,593 net of HST recoveries.

Option Year 3- Oct 1, 2025 to Sept 30, 2026  
\$ 203,037 net of all applicable taxes and charges  
\$ 229,432 including HST and all applicable charges  
\$ 206,610 net of HST recoveries.

**The total potential award including all options years is \$980,108 net of HST recoveries, \$1,088,367 including all applicable taxes and charges and \$963,157 net of all applicable taxes and charges.**

### **Price Form C- East District**

\$216,535 net of all applicable taxes and charges

\$244,685 including HST and all applicable charges

**\$220,346 net of HST recoveries**

**Contract is expected to start on the date of award and end on September 30, 2023.**

Option Year 1 - From Oct 1, 2023 to Sept 30, 2024

\$111,516 net of all applicable taxes and charges

\$126,013 including HST and all applicable charges

\$113,478 net of HST recoveries.

Option Year 2- Oct 1, 2024 to Sept 30, 2025

\$114,861 net of all applicable taxes and charges

\$129,793 including HST and all applicable charges

\$116,883 net of HST recoveries.

Option Year 3- Oct 1, 2025 to Sept 30, 2026

\$118,307 net of all applicable taxes and charges

\$133,687 including HST and all applicable charges

\$120,389 net of HST recoveries.

**The total potential award including all options years is \$571,096 net of HST recoveries, \$634,177 including all applicable taxes and charges and \$561,218 net of all applicable taxes and charges.**

The total potential contract award identified in this report, including all options for all three contract is \$3,290,262 including all applicable taxes and charges. **The total potential cost to the City, including option years for all three contracts is \$2,962,983 net of HST recoveries.**

The above cost calculations for the Option Periods reflects an estimated annual 3% increase as per the Consumer Price Index (CPI).

### **FINANCIAL IMPACT**

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The total potential contract award identified in this report is \$3,290,262 including all applicable taxes and charges. The total potential cost to the City is \$2,962,983 net of HST recoveries.

Funding is available in the 2021 Approved Operating Budget for Toronto Water and additional funding will be included in the 2022 Operating Budget Submission. Should the City exercise the optional periods, additional funding will be requested in the 2023-2026 Operating Budget Submissions of Toronto Water. Additional funding details follow in Table 1.

Table 1: Financial Impact Summary of Recommended Contract (Net of HST Recoveries)

| Cost Centre / Cost Element                                                                                                                                               | From Date of award to Dec 31, 2021 | From Jan 1, 2022 to Sept 30, 2022 | From Oct 1, 2022 to Dec 31, 2022 | From Jan 1, 2023 to Sept 30, 2023 | Option Year 1, Oct 1, 2023 to Sept 30, 2024 | Option Year 2, Oct 1, 2024 to Sept 30, 2025 | Option Year 3, Oct 1, 2024 to Sept 30, 2026 | Total       |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|-----------------------------------|----------------------------------|-----------------------------------|---------------------------------------------|---------------------------------------------|---------------------------------------------|-------------|
| TW Cost Centres:<br>TW4036<br>TW2055<br>TW7075<br>TW7065<br>TW4085<br>TW7050<br>TW7072<br>TW4105<br>TW7020<br><br>Cost Element:<br>4410,<br>3099<br>4424<br>4403<br>2120 | \$142,901                          | \$428,703                         | \$142,901                        | \$428,703                         | \$588,752                                   | \$606,415                                   | \$624,607                                   | \$2,962,983 |
|                                                                                                                                                                          |                                    |                                   |                                  |                                   |                                             |                                             |                                             |             |

The Chief Financial Officer and Treasurer has reviewed this report and agrees with the information included in the Financial Impact section.

## SOLICITATION SUMMARY

**Solicitation Issued:** May 17, 2021

**Solicitation Closed:** July 5, 2021

**Number of Addenda Issued:** Three (3)

**Number of Bids:** Three (3)

Table 2: Summary of Bids Received for Ariba Document Number 2972447321 including bid price

| Supplier Name                   | Bid Price (excluding H.S.T.) |
|---------------------------------|------------------------------|
| Price Form- A Central District* |                              |
| Custom Power Generation         | \$535,286                    |
| Ronnie's Generator Service Ltd  | \$688,720                    |
| Total Power Limited             | \$13,715,900                 |

|                                |           |
|--------------------------------|-----------|
| Price Form- B West District*   |           |
| Custom Power Generation        | \$371,615 |
| Ronnie's Generator Service Ltd | \$417,525 |
| Total Power Limited            | \$557,750 |

|                              |           |
|------------------------------|-----------|
| Price Form- C East District* |           |
| Custom Power Generation      | \$216,535 |
| Total Power Limited          | \$394,970 |

\* The RFQ is structured to allow for the contract to be awarded to three (3) separate districts. One contract per District.

## **DIVISION CONTACTS**

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Purchasing Client Services, Purchasing and Materials Management  
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Colin Marshall, Manager, Wastewater Treatment 416-392-2882,  
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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 Supplier meeting specifications or to the highest scoring Supplier based on the evaluation criteria included in the Solicitation and meeting the requirements of the solicitation;
- 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. the Solicitation document was advertised on the City's internet website and bids or proposals were opened publicly; and

e. 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 Solicitations are on the file in the Purchasing and Materials Management Division.

**SIGNATURE**

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Michael Pacholok  
Chief Procurement Officer