

Amendment to Blanket Contract Number 47023700 to Met-Scan Canada Limited

Date: June 15, 2021

To: General Government and Licensing Committee

From: Executive Director, Corporate Real Estate Management, and Chief Procurement Officer

Wards: All

SUMMARY

The purpose of this report is to request the authority to amend non-competitive Blanket Contract Number 47023700 to Met-Scan Canada Limited ("Met-Scan") for the provision of electrical services and for supply and installation of security equipment for various City locations, on an as required basis from the date of the award to March 31, 2023. The total amendment requested is \$7,118,694 net of all applicable taxes and charges (\$7,243,983 net of Harmonized Sales Tax recoveries).

Met-Scan's previous contract with the City (Blanket Contract Number 47021453) was awarded as a result of a 2017 competitive solicitation, R.F.Q. 3202-17-5080 which expired on March 31, 2021. The R.F.Q. and the award had different contract terms, which was a discrepancy raised by Met-Scan. The City issued a non-competitive Blanket Contract Number 47023700 to Met-Scan on April 1, 2021 to ensure continuity of service and as a demonstration of good faith in response to the discrepancy. Corporate Real Estate Management is now seeking General Government and Licensing Committee's authority to amend non-competitive Blanket Contract Number 47023700, to align closely with the total number of option years stated in R.F.Q. However the Division intends to issue a new competitive solicitation for the services in 2023, prior to the expiry of the amended agreement. Met-Scan provides services that maintain the physical security of numerous City facilities, and supports the safe delivery of City programs.

RECOMMENDATIONS

The Executive Director, Corporate Real Estate Management and the Chief Procurement Officer recommend that:

1. General Government and Licensing Committee, in accordance with Section 71-11.1C of the City of Toronto Municipal Code Chapter 71 (Financial Control) grant

authority to the Executive Director, Corporate Real Estate Management to amend the agreement with Met-Scan Canada Limited and the associated Blanket Contract Number 47023700, for the provision of electrical services and for supply and installation of security equipment for various city locations, on an as-required basis from October 1, 2021 to March 31, 2023, increasing the value from \$500,000 net of all applicable taxes and charges (\$508,800 net of Harmonized Sales Tax recoveries) to \$7,118,694 net of all applicable taxes and charges (\$7,243,983 net of Harmonized Sales Tax recoveries), on terms and conditions satisfactory to the Executive Director, Corporate Real Estate Management and in a form satisfactory to the City Solicitor.

FINANCIAL IMPACT

The total amendment being requested will increase the value of Blanket Contract 47023700, from \$500,000 to \$7,118,694, net of all applicable taxes, for eighteen (18) months from October 1, 2021 to March 31, 2023.

Table 1: Amendment value to Blanket Contract Number 47023700

Details	Net of all applicable taxes	Net of Harmonized Sales Tax Recoveries
Blanket Contract Number 47023700 April 1, 2021- September 30, 2021	\$500,000	\$508,800
Year 1 October 1, 2021- September 30, 2022	\$4,863,825	\$4,949,428
Year 2 October 1, 2022 to March 31, 2023	\$2,254,869	\$2,426,239
Total amendment	\$7,118,694	\$7,243,983

Funding for Blanket Contract Number 47023700 is included in the 2021 Council Approved Operating Budget for Corporate Real Estate Management under cost center FA2684. Future year expenditures will be referred to the City's annual budget process and will be included as part of the 2022 and 2023 budget submission for Council consideration.

The Chief Financial Officer and Treasurer has reviewed this report and agrees with the financial implications as identified in the Financial Impact section.

DECISION HISTORY

At its meeting of April 10, 2018, Bid Award Panel adopted ReportBA73.7 - RFQ 3202-17-5080 for the non-exclusive supply, delivery, installation, programming, integration, warranty of electrical and security installation services on an as and when required basis for various locations throughout the City of Toronto for period of one (1) year, with the option to renew the contract for two (2) additional one (1) year terms.

COMMENTS

Background

On November 30, 2017, the City issued R.F.Q. 3202-17-5080 for the non-exclusive supply, delivery, installation, programming, integration, warranty of electrical and security installation services on an as and when required basis for various locations throughout the City of Toronto. The City received one bid for this solicitation from Met-Scan Canada Limited ("Met-Scan"). Once it was determined that Met-Scan was qualified to perform the work, the City moved to award the contract. There were discrepancies in the contract terms articulated in both the R.F.Q. and the award document. Specifically, the award document only included two (2) option years, instead of the five (5) option years as set out in the R.F.Q.; Blanket Contract Number 47021453 was awarded to Met-Scan for one (1) year with the option to renew the agreement for two (2) additional one (1) year periods.

Addressing contract discrepancies

Met-Scan raised the discrepancy in the contract terms with the City. Consequently, to rectify the issues, and as a show of good faith, the City issued non-competitive Blanket Contract Number 47023700 to Met-Scan in the amount of \$500,000 net of all applicable taxes and charges (\$508,800 net of Harmonized Sales Tax recoveries) to ensure continuity of service upon expiry of the original agreement on March 31, 2021. The pricing in the non-competitive agreement remained consistent with the original competitive solicitation.

Amendment to Blanket Contract Number 47023700

The City is requesting authority from General Government and Licensing Committee to amend Blanket Contract Number 47023700, entered into with Met-Scan on April 1, 2021, for eighteen (18) months to align closely with the total number of option years stated in R.F.Q. 3202-17-5080, the original competitive solicitation.

The City's intends to issue a new competitive solicitation at the end of 2022 and finalize the award of the new contract in early 2023.

The Fair Wage Office has reported that Met-Scan has reviewed and understands the Fair Wage Policy and Labour Trades requirements and has agreed to comply fully.

CONTACT

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SIGNATURE

Patrick Matozzo
Executive Director, Corporate Real Estate Management

Michael Pacholok
Chief Procurement Officer