



BID AWARD PANEL CONTRACT AWARD

Award of Ariba Document Number 3211611849 to On-Site Industrial Services Limited to perform Non-Destruction Testing (NDT) Inspection and operation for aerial devices and vehicle frame rail inspections of units owned and operated by the City of Toronto's Fire Services Division

Date: January 6, 2022
To: Bid Award Panel
From: Chief Procurement Officer
Wards: All

RECOMMENDATIONS

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

Solicitation Number:

Request for Quotation, Ariba Document Number 3211611849

Description:

For the non-exclusive supply of all labour, materials and equipment necessary to perform Non-Destruction Testing (NDT) Inspection and operation for aerial devices and vehicle frame rail inspections of units owned and operated by the City of Toronto's Fire Services, for the period starting on April 19, 2022 to April 18, 2023, with the option to renew the contracts for four (4) additional separate one (1) year periods.

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

Recommended Supplier:

On-Site Industrial Services Limited

Contract Award Value:

\$140,400 net of all applicable taxes and charges (including 20% for Miscellaneous Items)

\$158,652 including HST and all applicable charges

\$142,871 net of HST recoveries

The contract is expected to start on April 19, 2022, and end on April 18, 2023.

Option Year One from April 19, 2023 to April 18, 2024

\$144,612 net of all applicable taxes and charges (including 20% for Miscellaneous Items)

\$163,412 including all applicable taxes and charges

\$147,157 net of HST recoveries

Option Year Two from April 19, 2024 to April 18, 2025

\$148,950 net of all applicable taxes and charges (including 20% for Miscellaneous Items)

\$168,314 including all applicable taxes and charges

\$151,572 net of HST recoveries

Option Year Three from April 19, 2025 to April 18, 2026

\$153,419 net of all applicable taxes and charges (including 20% for Miscellaneous Items)

\$173,363 including all applicable taxes and charges

\$156,119 net of HST recoveries

Option Year Four from April 19, 2026 to April 18, 2027

\$158,021 net of all applicable taxes and charges (including 20% for Miscellaneous Items)

\$178,564 including all applicable taxes and charges

\$160,803 net of HST recoveries

Total Potential Award, including Optional Periods

\$745,403 net of all applicable taxes and charges (including 20% for Miscellaneous Items)

\$842,305 including HST and all applicable charges

\$758,522 net of HST recoveries

The above cost calculations reflect an estimated 3% in Consumer Price Index (CPI) adjustment applied annually to the yearly cost after the initial year.

FINANCIAL IMPACT

The total potential contract award identified in this report is \$842,305 including all applicable taxes, charges, and option renewal terms. The total potential cost to the City is \$758,522 net of HST recoveries.

Funding in the amount of \$100,758, net of HST recoveries, for the period April 19, 2022 to December 31, 2022, has been included in the 2022 CFO Recommended Operating Budget for Fire Services. Additional funding for the remainder of the contract term in the amount of \$42,114 net of HST recoveries will be included in the 2023 Operating Submission for Fire Services. Should the City choose to exercise its option to renew for the additional four (4) separate one (1) year periods, then appropriate additional funding

will be included in the 2023 – 2027 Operating Budget Submissions for Fire Services Division. Funding details are provided in Table 1 to follow.

Table 1 – Financial Impact Summary of Recommended Contract

Cost Centre / Cost Element	Initial Year	Initial Year	Option Year One	Option Year Two	Option Year Three	Option Year Four
	April 19, 2022 to December 31, 2022	January 1, 2023 to April 18, 2023	April 19, 2023 to April 18, 2024	April 19, 2024 to April 18, 2025	April 19, 2025 to April 18, 2026	April 19, 2026 to April 18, 2027
C/C FR0025 / C/E 4424	\$100,758	\$42,114	\$147,157	\$151,572	\$156,119	\$160,803
Total Contract Term (net of HST Recoveries)						\$758,522

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

SOLICITATION SUMMARY

Solicitation Issued: November 9, 2021 **Solicitation Closed:** December 9, 2021
Number of Addenda Issued: None
Number of Bids: 2

Table 2: Summary of Bids Received including bid price;

Supplier Name	Bid Price* (excluding H.S.T.)
On-Site Industrial Services Limited	\$117,000.00
Qfaws Engineering (Pvt.) Limited	\$231,306.26

*Above amounts are exclusive of 20% miscellaneous allowance.

DIVISION CONTACTS

Sabrina DiPietro, Manager, Infrastructure & Development Services, Purchasing Client Services, Purchasing and Materials Management, Tel: 416-397-4809, Email: Sabrina.DiPietro@toronto.ca

Kevin Hamilton, Division Chief, Fire Services Division, Tel: 416-338-7198, Email: Kevin.Hamilton@toronto.ca

COMMENTS

For the recommended contract award, the following requirements have been met:

- a. The firm recommended for the 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 the 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

Sandra Lisi for

Michael Pacholok
Chief Procurement Officer