BID AWARD PANEL
CONTRACT AWARD

Award of Ariba Document Number 3170327301 to EMCO Waterworks for the Non-Exclusive Supply and Delivery of Fire Hydrants for Purchasing and Materials Management (Stores)

Date: February 24, 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 3170327301

Description:
For the non-exclusive supply and delivery of Fire Hydrants to various Purchasing and Materials Management (Stores) locations from the date of award to February 28, 2023, with the option to renew the Contract for additional four (4) years period at the sole discretion of the City and subject to budget approval(s).

Prior to the renewal of the contract, PMMD will perform a market analysis to verify the current market conditions as compared to the proposed increase by the vendor and that the Stores Division will monitor vendor performance during the term of the contract.

Should the option(s) be exercised, then the Manager of Materials Management and Stores will request the Chief Procurement Officer of Purchasing and Materials Management to process the renewals under the same terms and conditions.

Recommended Supplier:
EMCO Waterworks

Contract Award Value:
$1,129,263 net of all applicable taxes and charges (including 25% for miscellaneous items)
$1,276,067 including HST and all applicable charges
$1,149,138 net of HST recoveries

Contract is expected to start on date of award and end on February 28, 2023

Option Year 1 (March 1, 2023 to February 29, 2024)
$1,163,140 net of all applicable taxes and charges (including 25% for miscellaneous items)
$1,314,349 including all applicable taxes and charges
$1,183,612 net of HST recoveries

Option Year 2 (March 1, 2024 to February 28, 2025)
$1,198,035 net of all applicable taxes and charges (including 25% for miscellaneous items)
$1,353,779 including all applicable taxes and charges
$1,219,120 net of HST recoveries

Option Year 3 (March 1, 2025 to February 28, 2026)
$1,233,976 net of all applicable taxes and charges (including 25% for miscellaneous items)
$1,394,392 including all applicable taxes and charges
$1,255,694 net of HST recoveries

Option Year 4 (March 1, 2026 to February 28, 2027)
$1,270,995 net of all applicable taxes and charges (including 25% for miscellaneous items)
$1,436,224 including all applicable taxes and charges
$1,293,364 net of HST recoveries

The total potential contract award identified in this report, including the option years, is $6,774,811 including all applicable taxes and charges. **The total potential cost to the City including the option years is $6,100,927 net of HST recoveries.**

The above cost calculations for the Option Years reflect an estimated 3 percent increase in the Consumer Price Index.

FINANCIAL IMPACT

The total potential contract award identified in this report including the option year is $6,774,811 including all applicable taxes and charges. The total potential cost to the City including the option years is $6,100,927 net of HST recoveries.

The materials on this contract will be purchased for PMMD Stores inventory purposes. The material value will be held in inventory holding Balance Sheet accounts (160004, 160026, 160049, 160067, 160068, 160082, 160083, 160085,160171) until City Divisions require the material to support their work programs at which time the material value is charged to the appropriate Divisions’ approved operating budgets.

Funding from the date of award to December 31, 2022 is included in the appropriate Divisions' 2022 Approved Operating Budgets and additional funding to the end of the initial contract period will be included in their 2023 Operating Budget Submissions.

Appropriate additional funding will be requested in the 2023-2027 Operating Budget Submissions, should the option years be exercised. The details are as follows:

Table 1: Financial Impact Summary of Recommended Contract

Period	B/S Account 160004, 160026, 160049, 160067, 160068, 160082, 160083, 160085, 160171	Total (net of HST Recoveries)
Date of Award – December 31, 2022	$957,615	
January 1, 2023 – February 28, 2023	$191,522	
Total: Contract Period	$1,149,137	$1,149,137
Total: 2022 Budget Year	$957,615	
March 1, 2023 to December 31, 2023	$986,343	
January 1, 2024 - February 29, 2024	$197,269	
Total: Option Year 1	$1,183,612	$1,183,612
Total: 2023 Budget Year	$1,177,866	
March 1, 2024 to December 31, 2024	$1,015,933	
January 1, 2025 - February 28, 2025	$203,187	
Total: Option Year 2	$1,219,120	$1,219,120
Total: 2024 Budget Year	$1,213,202	
March 1, 2025 to December 31, 2025	$1,046,411	
January 1, 2026 - February 28, 2026	$209,282	
Total: Option Year 3	$1,255,694	$1,255,694
Total: 2025 Budget Year	$1,249,598	
March 1, 2026 to December 31, 2026	$1,077,804	
January 1, 2027 - February 28, 2027	$215,561	
Total: Option Year 4	$1,293,364	$1,293,364
Total: 2026 Budget Year	$1,287,086	
Total: 2027 Budget Year	$215,561	
Grand Total	$6,100,927	$6,100,927

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

SOLICITATION SUMMARY

Solicitation Issued: January 4, 2022 **Solicitation Closed:** February 4, 2022
Number of Addenda Issued: 0
Number of Bids: 5

Table 2: Summary of Bids Received including bid price

Supplier Name	Bid Price (excluding H.S.T.)
Emco Waterworks	$903,410*
ICONIX WATERWORKS LP	$1,069,603
WOLSELY	$1,079,926
CANADA WATERWORKS INC.	$1,136,100
WAMCO SUPPLY INC	$1,166,500

* Pursuant to the Request for Quotation document the contract award value includes contingency.

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 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

Michael Pacholok
Chief Procurement Officer