



BID AWARD PANEL CONTRACT AWARD

Award of Ariba Document Number 3299251684 to Econolite Canada INC., Tacel LTD. and Fortran Traffic Systems Ltd., for the Supply and Delivery of Traffic Control Equipment for City Stores

Date: June 16, 2022
To: Bid Award Panel
From: Acting Chief Procurement Officer
Wards: All

RECOMMENDATIONS

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

Solicitation Number:
Request for Quotation Number 3299251684

Description:
For the non-exclusive supply and delivery of Traffic Control Equipment (Part A, B, D, E & Part F) to various Purchasing and Materials Management (Stores) locations from the date of award to May 31, 2023, with the option to renew the contract for four (4) additional separate one (1) year periods at the sole discretion of the City and subject to budget approval(s). There was no bids received for Part C and therefore, this Part is not included in this recommendation.

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

Recommended Supplier for Part A, B, & F:
Econolite Canada Inc.

Contract Award Value:
\$1,031,877 net of all applicable taxes and charges (including 25% for miscellaneous items)

\$1,166,021 including HST and all applicable charges
\$1,050,038 net of HST recoveries

Contract is expected to start on date of award and end on May 31, 2023.

Option Year 1 (June 1, 2023 to May 31, 2024)

\$1,062,833 net of all applicable taxes and charges (including 25% for miscellaneous items)

\$1,201,001 including HST and all applicable charges

\$1,081,539 net of HST recoveries

Option Year 2 (June 1, 2024 to May 31, 2025)

\$1,094,718 net of all applicable taxes and charges (including 25% for miscellaneous items)

\$1,237,031 including HST and all applicable charges

\$1,113,985 net of HST recoveries

Option Year 3 (June 1, 2025 to May 31, 2026)

\$1,127,560 net of all applicable taxes and charges (including 25% for miscellaneous items)

\$1,274,142 including HST and all applicable charges

\$1,147,405 net of HST recoveries

Option Year 4 (June 1, 2026 to May 31, 2027)

\$1,161,386 net of all applicable taxes and charges (including 25% for miscellaneous items)

\$1,312,367 including HST and all applicable charges

\$1,181,827 net of HST recoveries

The total potential contract award for Econolite Canada Inc. including all option years is \$5,574,795 net of HST recoveries, \$6,190,564 including all applicable taxes and charges and \$5,478,375 net of all applicable taxes and charges.

Recommended Supplier for Part D:

Tacel LTD.

Contract Award Value:

\$129,953 net of all applicable taxes and charges (including 25% for miscellaneous items)

\$146,846 including HST and all applicable charges

\$132,240 net of HST recoveries

Contract is expected to start on date of award and end on May 31, 2023

Option Year 1 (June 1, 2023 to May 31, 2024)

\$133,851 net of all applicable taxes and charges (including 25% for miscellaneous items)

\$151,252 including HST and all applicable charges

\$136,207 net of HST recoveries

Option Year 2 (June 1, 2024 to May 31, 2025)

\$137,867 net of all applicable taxes and charges (including 25% for miscellaneous items)

\$155,789 including HST and all applicable charges
\$140,293 net of HST recoveries

Option Year 3 (June 1, 2025 to May 31, 2026)
\$142,003 net of all applicable taxes and charges (including 25% for miscellaneous items)
\$160,463 including HST and all applicable charges
\$144,502 net of HST recoveries

Option Year 4 (June 1, 2026 to May 31, 2027)
\$146,263 net of all applicable taxes and charges (including 25% for miscellaneous items)
\$165,277 including HST and all applicable charges
\$148,837 net of HST recoveries

The total potential contract award for Tacel LTD. including all option years is \$702,081 net of HST recoveries, \$779,630 including all applicable taxes and charges and \$689,938 net of all applicable taxes and charges.

Recommended Supplier for Part E

Fortran Traffic Systems Ltd.

Contract Award Value:

\$47,789 net of all applicable taxes and charges (including 25% for miscellaneous items)
\$54,002 including HST and all applicable charges
\$48,630 net of HST recoveries

Contract is expected to start on date of award and end on May 31, 2023

Option Year 1 (June 12023 to May 31, 2024)
\$49,223 net of all applicable taxes and charges (including 25% for miscellaneous items)
\$55,622 including HST and all applicable charges
\$50,089 net of HST recoveries

Option Year 2 (June 1, 2024 to May 31, 2025)
\$50,700 net of all applicable taxes and charges (including 25% for miscellaneous items)
\$57,290 including HST and all applicable charges
\$51,592 net of HST recoveries

Option Year 3 (June 1, 2025 to May 31, 2026)
\$52,221 net of all applicable taxes and charges (including 25% for miscellaneous items)
\$59,009 including HST and all applicable charges
\$53,140 net of HST recoveries

Option Year 4 (June 1, 2026 to May 31, 2027)
\$53,787 net of all applicable taxes and charges (including 25% for miscellaneous items)
\$60,779 including HST and all applicable charges
\$54,734 net of HST recoveries

The total potential contract award for Fortran Traffic Systems Ltd. including all option years is \$258,184 net of HST recoveries, \$286,702 including all applicable taxes and charges and \$253,718 net of all applicable taxes and charges.

The total potential contract award identified in this report including the option years for all awards is \$7,256,890 including all applicable taxes and charges. **The total potential cost to the City including the option years for all awards is \$6,535,055 net of HST recoveries.**

FINANCIAL IMPACT

The total potential contract award identified in this report including the option years for all awards is \$7,256,890 including all applicable taxes and charges. The total potential cost to the City including the option years for all awards is \$6,535,055 net of HST recoveries.

The materials on this contract will be purchased for Purchasing & Material Management 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 Transportation Services Operating or Capital Budget.

Funding from the date of award to May 31, 2023 is available in the 2022 Operating and Capital Budgets of Transportation Services. Additional funding will be included in the 2023 Operating and Capital Submissions for Transportation Services. Should the option years be exercised, appropriate additional funding will be requested in the 2023-2027 Operating and Capital Budget Submissions. The details are as follows:

Table 1: Financial Impact Summary of Recommended Contract

Period	Balance Sheet Accounts 160004, 160026, 160049, 160067, 160068, 160082, 160083, 160085, 160171	Total (net of HST Recoveries)
Date of Award – December 31, 2022	\$718,029	
January 1, 2023– May 31, 2023	\$512,878	
Total: Contract Period	\$1,230,907	
Total: 2022 Budget Year	\$718,029	\$718,029
June 1, 2023 – December 31, 2023	\$739,570	
January 1, 2024 – May 31, 2024	\$528,264	
Total: Option Year 1	\$1,267,835	
Total: 2023 Budget Year	\$1,252,448	\$1,252,448
June 1, 2024– December 31, 2024	\$761,757	
January 1, 2025 – May 31, 2025	\$544,112	

Total: Option Year 2	\$1,305,870	
Total: 2024 Budget Year	\$1,290,022	\$1,290,022
June 1, 2025– December 31, 2025	\$784,610	
January 1, 2026 – May 31, 2026	\$560,436	
Total: Option Year 3	\$1,345,046	
Total: 2025 Budget Year	\$1,328,722	\$1,328,722
June 1, 2026– December 31, 2026	\$808,148	
January 1, 2027 – May 31, 2027	\$577,249	
Total: Option Year 4	\$1,385,397	
Total: 2026 Budget Year	\$1,368,584	\$1,368,584
Total: 2027 Budget Year	\$577,249	\$577,249
Grand Total	\$6,535,055	\$6,535,055

The Chief Financial Officer and Treasurer has reviewed this report and agrees with the financial impact information.

SOLICITATION SUMMARY

Solicitation Issued: April 6, 2022

Solicitation Closed: May 5, 2022

Number of Addenda Issued: None

Number of Bids: Eight (8) as follows:

Part A: One (1), Part B: Three (3), Part C: None, Part D: One (1), Part E: One (1), Part F: Two (2).

Table 2: Summary of Bids Received including bid price

Supplier Name	Bid Price (excluding H.S.T.)
Part A	
ECONOLITE CANADA INC.	\$248,480
Part B	
ECONLITE CANADA INC.	\$475,522
INNOVATIVE TRAFFIC SOLUTIONS INC.	\$525,175
TACEL LTD	\$606,323
Part D	
TACEL LTD	\$103,962
Part E	

Supplier Name	Bid Price (excluding H.S.T.)
FORTTRAN TRAFFIC SYSTEMS LTD	\$38,231
Part F	
ECONLITE CANADA INC.	\$101,500
TACEL LTD	\$104,000

DIVISION CONTACTS

Justin Lau, Manager, Purchasing Client Services, Purchasing & Materials Management,
Telephone: 416-392-7316 Email: Justin.Lau@toronto.ca

Craig Mavin, Manager, Materials Management & Stores, Purchasing & Materials
Management Telephone: 416-392-6764 E-Mail: cmavin@toronto.ca

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 submitted electronically in Ariba; 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,
Acting Chief Procurement Officer