



BID AWARD PANEL CONTRACT AWARD

Award of Ariba Document Number 3208330597 to WAMCO Supply Inc. and EMCO Waterworks for the Non-Exclusive Supply and Delivery of Water Fittings and Accessories for Purchasing and Materials Management (Stores)

Date: July 28, 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 contracts:

Solicitation Number:

Request for Quotation, Ariba Document Number 3208330597

Description:

For the non-exclusive supply and delivery of Water Fittings and Accessories to various Purchasing and Materials Management (Stores) locations from the date of award to July 31, 2023, with the option to renew the Contract for four (4) additional separate one (1) year optional periods at the sole discretion of the City and subject to budget approval(s).

The Request for Quotation is structured to award contracts to the lowest suppliers meeting specifications, and providing the lowest total bid price per Parts A to H of the Pricing Form.

Prior to the renewal of the contract, Purchasing and Materials Management Division 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 first term of the contract.

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

Recommended Supplier:

Wamco Supply Inc. **(Part A, E & G)**

Contract Award Value:

\$951,044 net of all applicable taxes and charges (including 25% for miscellaneous items)

\$1,074,680 including HST and all applicable charges

\$967,782 net of HST recoveries

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

Option Year 1 (August 1, 2023 to July 31, 2024)

\$979,575 net of all applicable taxes and charges (including 25% for miscellaneous items)

\$1,106,920 including all applicable taxes and charges

\$996,816 net of HST recoveries

Option Year 2 (August 1, 2024 to July 31, 2025)

\$1,008,962 net of all applicable taxes and charges (including 25% for miscellaneous items)

\$1,140,128 including all applicable taxes and charges

\$1,026,720 net of HST recoveries

Option Year 3 (August 1, 2025 to July 31, 2026)

\$1,039,231 net of all applicable taxes and charges (including 25% for miscellaneous items)

\$1,174,331 including all applicable taxes and charges

\$1,057,522 net of HST recoveries

Option Year 4 (August 1, 2026 to July 31, 2027)

\$1,070,408 net of all applicable taxes and charges (including 25% for miscellaneous items)

\$1,209,561 including all applicable taxes and charges

\$1,089,247 net of HST recoveries

The total potential contract award including all option years for Wamco Supply Inc. is \$5,705,620 including all applicable taxes and charges and \$5,049,221 net of all applicable taxes and charges. **The total potential contract award including all option years for Wamco Supply Inc. is \$5,138,088 net of HST recoveries.**

Recommended Supplier:

EMCO Waterworks (Part B, C, D & F)

Contract Award Value:

\$2,347,760 net of all applicable taxes and charges (including 25% for miscellaneous items)

\$2,652,969 including HST and all applicable charges

\$2,389,081 net of HST recoveries

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

Option Year 1 (August 1, 2023 to July 31, 2024)

\$2,418,193 net of all applicable taxes and charges (including 25% for miscellaneous items)
\$2,732,558 including all applicable taxes and charges
\$2,460,753 net of HST recoveries

Option Year 2 (August 1, 2024 to July 31, 2025)
\$2,490,739 net of all applicable taxes and charges (including 25% for miscellaneous items)
\$2,814,535 including all applicable taxes and charges
\$2,534,576 net of HST recoveries

Option Year 3 (August 1, 2025 to July 31, 2026)
\$2,565,461 net of all applicable taxes and charges (including 25% for miscellaneous items)
\$2,898,971 including all applicable taxes and charges
\$2,610,613 net of HST recoveries

Option Year 4 (August 1, 2026 to July 31, 2027)
\$2,642,425 net of all applicable taxes and charges (including 25% for miscellaneous items)
\$2,985,940 including all applicable taxes and charges
\$2,688,931 net of HST recoveries

The total potential contract award including all option years for EMCO Waterworks is \$14,084,972 including all applicable taxes and charges and \$12,464,577 net of all applicable taxes and charges. **The total potential contract award including all option years for EMCO Waterworks is \$12,683,953 net of HST Recoveries.**

The total potential combined contract awards for all suppliers (Parts A, B, C, D, E, F & G) identified in this report including option years is \$17,513,798 net of all applicable taxes and charges, \$19,790,592 including all applicable taxes and charges. **The total potential combined cost to the City including option years for the combined contract awards (Parts A, B, C, D, E, F & G) is \$17,822,041 net of HST recoveries.**

The above cost calculations reflect a 3% Consumer Price Index adjustment applied annually to each year's cost after the initial one (1) year period.

FINANCIAL IMPACT

The total potential combined contract awards for all suppliers (Part A, B, C, D, E, F & G) identified in this report including option years is \$17,513,798 net of all applicable taxes and charges, \$19,790,592 including all applicable taxes and charges. The total potential combined cost to the City including option years is \$17,822,041 net of HST recoveries.

The materials on this contract will be purchased for Purchasing & Materials Management Division (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 available in the 2022 Approved Operating Budgets of the Appropriate Programs and additional funding will be included in their 2023 Operating Budget Submissions. Should all the option years be exercised, appropriate additional funding will be requested in the 2023-2027 Operating Budget submissions. The details are as follows:

Table 1: Financial Impact Summary of Recommended Contract

Period	Balance Sheet Account 160004, 160026, 160049, 160067, 160068, 160082, 160083, 160085,160171	Total (net of HST Recoveries)
Date of Award – December 31, 2022	\$1,796,873	
January 1, 2023 - July 31, 2023	\$1,559,990	
Total: Contract Period	\$3,356,863	\$3,356,863
Total: 2022 Budget Year	\$1,796,873	
August 1, 2023 to December 31, 2023	\$1,850,779	
January 1, 2024 - July 31, 2024	\$1,606,790	
Total: Option Year 1	\$3,457,569	\$3,457,569
Total: 2023 Budget Year	\$3,410,769	
August 1, 2024 to December 31, 2024	\$1,906,303	
January 1, 2025 - July 31, 2025	\$1,654,993	
Total: Option Year 2	\$3,561,296	\$3,561,296
Total: 2024 Budget Year	\$3,513,092	
August 1, 2025 to December 31, 2025	\$1,963,492	
January 1, 2026 - July 31, 2026	\$1,704,643	
Total: Option Year 3	\$3,668,135	\$3,668,135
Total: 2025 Budget Year	\$3,618,485	
August 1, 2026 to December 31, 2026	\$2,022,396	
January 1, 2027 - July 31, 2027	\$1,755,782	
Total: Option Year 4	\$3,778,178	\$3,778,178
Total: 2026 Budget Year	\$3,727,039	
Total: 2027 Budget Year	\$1,755,782	
Grand Total	\$17,822,041	\$17,822,041

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

SOLICITATION SUMMARY

Solicitation Issued: March 28, 2022 **Solicitation Closed:** July 05, 2022

Number of Addenda Issued: Seven (7)

Number of Bids: Two (2)

Table 2: Summary of Bids Received including bid price:

Price Form Lots	Supplier Name with the Bid Price (excluding H.S.T.)	
	Wamco Supply Inc.	EMCO Waterworks
Part A	\$163,262.00	\$193,798.00
Part B	\$316,908.75	\$289,065.00
Part C	\$681,975.00	\$594,821.00
Part D	\$293,815.00	\$257,771.00
Part E	\$63,835.00	\$65,888.00
Part F	\$831,505.00	\$736,551.00
Part G	\$533,738.13	NO BID
Part H	NO BID	NO BID

DIVISION CONTACTS

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

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

COMMENTS

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

a. The firm recommended for award is the lowest Supplier meeting specifications per Part 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 on 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