BID AWARD PANEL
CONTRACT AWARD

Award of Ariba Document Number 3493375676 to Universal Flow Engineering Inc. for the Non-Exclusive Supply and Delivery of Various Hydrant Parts for Purchasing and Materials Management (Stores)

Date: August 11, 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 3493375676

Description:
For the non-exclusive supply and delivery of Various Hydrant Parts 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 one (1)-year periods at the sole discretion of the City and subject to budget approval(s).

The Request for Quotation is structured to award contract to the lowest supplier meeting specifications and providing the lowest total bid price per Part 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 and Materials Management and Stores will monitor supplier 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:
Universal Flow Engineering Inc. (Part C)

Contract Award Value:

$172,463 net of all applicable taxes and charges (including 25% for miscellaneous items)
$194,883 including HST and all applicable charges
$175,498 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)
$177,637 net of all applicable taxes and charges (including 25% for miscellaneous items)
$200,730 including all applicable taxes and charges
$180,763 net of HST recoveries

Option Year 2 (August 1, 2024 to July 31, 2025)
$182,966 net of all applicable taxes and charges (including 25% for miscellaneous items)
$206,751 including all applicable taxes and charges
$186,186 net of HST recoveries

Option Year 3 (August 1, 2025 to July 31, 2026)
$188,455 net of all applicable taxes and charges (including 25% for miscellaneous items)
$212,954 including all applicable taxes and charges
$191,772 net of HST recoveries

Option Year 4 (August 1, 2026 to July 31, 2027)
$194,109 net of all applicable taxes and charges (including 25% for miscellaneous items)
$219,343 including all applicable taxes and charges
$197,525 net of HST recoveries

The total potential contract award including all option years is $915,627 net of all applicable taxes and charges and $1,034,659 including all applicable taxes and charges. The total potential cost to the City including all option years is $931,742 net of HST recoveries.

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

FINANCIAL IMPACT

The total potential contract award identified in this report including option years is $915,627 net of all applicable taxes and charges, $1,034,659 including all applicable taxes and charges. The total potential cost to the City including option years is $931,742 net of HST recoveries.

The materials on this contract will be purchased for Purchasing and Materials 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 appropriate Divisions' Approved Operating Budgets.

Funding from the date of award to December 31, 2022 is included in the appropriate Divisions' 2022 Operating Budgets and 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	Cost Centre 160004, 160026, 160049, 160067, 160068, 160082, 160083, 160085,160171	Total (net of HST Recoveries)
Date of Award – December 31, 2022	$73,124	
January 1, 2023 - July 31, 2023	$102,374	
Total: Contract Period	$175,498	$175,498
Total: 2022 Budget Year	$73,124	
August 1, 2023 to December 31, 2023	$75,318	
January 1, 2024 - July 31, 2024	$105,445	
Total: Option Year 1	$180,763	$180,763
Total: 2023 Budget Year	$177,692	
August 1, 2024 to December 31, 2024	$77,578	
January 1, 2025 - July 31, 2025	$108,608	
Total: Option Year 2	$186,186	$186,186
Total: 2024 Budget Year	$183,022	
August 1, 2025 to December 31, 2025	$79,905	
January 1, 2026 - July 31, 2026	$111,866	
Total: Option Year 3	$191,771	$191,771
Total: 2025 Budget Year	$188,513	
August 1, 2026 to December 31, 2026	$82,302	
January 1, 2027 - July 31, 2027	$115,222	
Total: Option Year 4	$197,524	$197,524
Total: 2026 Budget Year	$194,168	
Total: 2027 Budget Year	$115,223	
Grand Total	$931,742	$931,742

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

SOLICITATION SUMMARY

Solicitation Issued: June 6, 2022 **Solicitation Closed:** July 6, 2022
Number of Addenda Issued: Three (3)
Number of Bids: One (1)

Table 2: Summary of Bids Received including bid price:

Supplier Name	Bid Price (excluding HST)*			
	Part A	Part B	Part C	Part D
UNIVERSAL FLOW ENGINEERING INC.	n/a	n/a	$137,970.00	n/a

*Bid Price does not contain the 25% miscellaneous items

DIVISION CONTACTS

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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