



BID AWARD PANEL CONTRACT AWARD

Award of Ariba Document Number 3692809488 to Superior Air Systems Ltd., for Boiler Annual Maintenance Service, Troubleshooting, Repairs and Modifications for the City of Toronto's Toronto Water and Solid Waste Management Services

Date: January 12, 2023
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 Quotations, Ariba Document Number 3692809488

Description:

For Non-exclusive supply and delivery of all labour and materials required for Boilers Periodic Maintenance Service, Troubleshoot, Repairs and Modifications Services for a period of one (1) year, with the option in favour of the City to extend the agreement on the same terms and conditions for up to four (4) additional separate one (1) year periods at the sole discretion of the City and subject to budget approval.

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

Recommended Supplier:

Superior Air Systems Ltd.

Total Contract Award Value:

\$833,422 net of all applicable taxes and charges
\$941,766 including HST and all applicable charges
\$848,090 net of HST recoveries

Contract is expected to start on February 1, 2023 and end on January 31, 2024.

Option Year 1 (February 1, 2024 to January 31, 2025)

\$858,424 net of all applicable taxes and charges

\$970,019 including HST and all applicable charges

\$873,533 net of HST recoveries

Option Year 2 (February 1, 2025 to January 31, 2026)

\$884,177 net of all applicable taxes and charges

\$999,120 including HST and all applicable charges

\$899,738 net of HST recoveries

Option Year 3 (February 1, 2026 to January 31, 2027)

\$910,702 net of all applicable taxes and charges

\$1,029,094 including HST and all applicable charges

\$926,731 net of HST recoveries

Option Year 4 (February 1, 2027 to January 31, 2028)

\$938,023 net of all applicable taxes and charges

\$1,059,966 including HST and all applicable charges

\$954,533 net of HST recoveries

The total potential contract award, including all option years is \$4,999,966 including all applicable taxes and charges and \$4,424,748 net of all applicable taxes and charges.

The total potential cost to the City, including all option years is \$4,502,624 net of HST recoveries.

The above cost calculations reflect a 3 percent Consumer Price Index (CPI) increase applied annually to the total annual cost after the initial year.

FINANCIAL IMPACT

The total potential contract award identified in this report is \$4,999,966 including all applicable taxes and charges. The total potential cost to the City is \$4,502,624 net of HST recoveries.

The engineering estimate for this project is \$4,692,175 net of all applicable taxes and charges.

Funding has been included in the 2023 Tabled Operating Budgets for Toronto Water and Solid Waste Management Service, and additional funding for the balance of the initial contract period will be included in their 2024 Operating Budget Submissions.

Should the City of Toronto choose to exercise its option(s) to renew for an additional four (4) separate one (1) year periods, then appropriate additional funding, if needed, will be included in the 2024-2028 Operating Budget Submissions for Toronto Water and Solid Waste Management Service Divisions. Funding details are provided in the Table 1 to follow.

Table 1: Financial Impact Summary of Recommended Contract

Cost Centre/ GL	Contract Period - Feb 1, 2023 to Dec 31, 2023	Contract Period – Jan 1, 2024 to Jan 31, 2024	Option Year 1 – Feb 1, 2024 to Jan 31, 2025	Option Year 2 – Feb 1, 2025 to Jan 31, 2026	Option Year 3 – Feb 1, 2026 to Jan 31, 2027	Option Year 4 – Feb 1, 2027 to Jan 31, 2028	Total (Net of HST recoveries)
Toronto Water: TW4085 TW4110 TW4036 GL Account: 4411 2660	\$577,101	\$52,464	\$648,451	\$667,905	\$687,942	\$708,580	\$3,342,442
SWMS Division: SW0011 SW0850 SW0851 SW0852 SW0853 SW0854 SW0855 SW0856 SW0860 SW0862 SW0864 GL Account: 4411, 4412	\$200,315	\$18,210	\$225,081	\$231,834	\$238,789	\$245,952	\$1,160,182
	\$777,416	\$70,674	\$873,532	\$899,739	\$926,731	\$954,532	\$4,502,624

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

SOLICITATION SUMMARY

Solicitation Issued: October 14, 2022 **Solicitation Closed:** November 10, 2022

Number of Addenda Issued: None

Number of Bids: Three (3)

Table 2: Summary of Bids Received including bid price

Supplier Name	Bid Price (excluding H.S.T.)
Superior Air Systems Ltd.	\$544,518.00*
Active Mechanical Services o/b 1246175 Ontario Limited	\$597,944.19
Lakeside Process Controls Limited	\$822,800.00

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

DIVISION CONTACTS

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Marie.Reid@toronto.ca

Lou Di Gironimo, General Manager, Toronto Water, Infrastructure and Development Services, 416-392-8200, Lou.DiGironimo@toronto.ca

COMMENTS

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

- a. The firm recommended for award is the lowest bidder 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