



BID AWARD PANEL CONTRACT AWARD

Award of Ariba Document Number 3568083371 to Trade-Mark Industrial Inc. and Ainsworth Inc. for Electrical, Mechanical and Instrumentational Services for Toronto Water

Date: April 13, 2023
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 3568083371

Description:

The non-exclusive supply and delivery of Electrical, Mechanical and Instrumentational services for the City of Toronto's Toronto Water Division, from date of award to January 31, 2026, with an option in favour of the city to extend the agreement on the same terms and conditions for up to two (2) additional separate one (1) year periods, all in accordance with the provisions and specifications contained in the Request for Quotation.

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

Recommended Suppliers:

1. Trade-Mark Industrial Inc. (Primary Supplier)
2. Ainsworth Inc. (Secondary Supplier)

Contract Award Value:

Trade-Mark Industrial Inc.

\$8,476,083 net of all applicable taxes and charges
\$9,577,974 including HST and all applicable charges
\$8,625,262 net of HST recoveries

Contract is expected to start on the date of award to January 31, 2026.

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

\$2,910,122 net of all applicable taxes and charges

\$3,288,438 including HST and all applicable charges

\$2,961,340 net of HST recoveries

Option Year 2 (February 1, 2027 to January 2028)

\$2,997,425 net of all applicable taxes and charges

\$3,387,091 including HST and all applicable charges

\$3,050,180 net of HST recoveries

The total potential contract award for Trade-Mark Industrial Inc including the option years is \$14,383,630 net of all applicable taxes and charges, and \$16,253,502 including all applicable taxes and charges. **The total potential cost to the City for Trade-Mark Industrial Inc including all optional years is \$14,636,782 net of HST recoveries.**

Contract Award Value:

Ainsworth Inc.

\$7,044,266 net of all applicable taxes and charges

\$7,960,021 including HST and all applicable charges

\$7,168,245 net of HST recoveries

Contract is expected to start on the date of award and end on January 31, 2026.

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

\$2,418,531 net of all applicable taxes and charges

\$2,732,941 including HST and all applicable charges

\$2,461,098 net of HST recoveries

Option Year 2 (February 1, 2027 to January 31, 2028)

\$2,491,087 net of all applicable taxes and charges

\$2,814,929 including HST and all applicable charges

\$2,534,930 net of HST recoveries

The total potential contract award for Ainsworth Inc including the option years is \$11,953,885 net of all applicable taxes and charges, and \$13,507,890 including all applicable taxes and charges. **The total potential cost to the City for Ainsworth Inc including all optional years is \$12,164,273 net of HST recoveries.**

The combined total potential contract award including all option years is \$26,337,515 net of all applicable taxes and charges, and \$29,761,392 including all applicable taxes and charges. **The total potential cost to the City including all optional years for both contracts is \$26,801,057 net of HST recoveries.**

The above cost calculations reflect a 3 percent Consumer Price Index adjustment applied to each option period after the initial term.

FINANCIAL IMPACT

The total potential contract award identified in this report is \$29,761,392 including all applicable taxes and charges. The total potential cost to the City is \$26,801,057 net of HST recoveries.

Funding is available in the 2023 Approved Operating Budget for Toronto Water and additional funding for the remainder of the Initial Contract Term will be included in the 2024-2026 Operating Budget Submissions for Toronto Water. Funding is also available in the 2023-2032 Approved Capital Budget and Plan for Toronto Water. Should the optional periods be exercised, then additional funding will be included in the 2026-2028 Operating and Capital Budget Submissions for Toronto Water

Table 1: Financial Impact Summary of Recommended Contract (net of HST Recoveries)

Cost Centre/WBS Element	Date of Award to December 31, 2023	January 1, 2024 to December 31, 2024	January 1, 2025 to December 31, 2025	January 1, 2026 to December 31, 2026	Option Period 1 February 1, 2026 to January 31, 2027	Option Period 2 February 1, 2027 to January 31 2028
TW7020, TW2055, TW2040, TW2025, TW2035, GL 4424	659,184	781,191	781,191	65,099	828,028	895,808
CPW060-01	141,321	166,585	100,000	0	87,976	94,755
CWW036-01	188,745	183,002	0	0	227,687	241,243
CWW037-19	378,438	361,831	415,258	35,438	434,625	448,181
CWW063-01	93,898	114,851	114,851	9,571	124,218	137,774
CWW476-08	839,787	1,000,000	1,201,275	100,106	1,210,642	1,224,199
CPW064-01	93,898	114,851	114,851	9,571	124,218	137,774
CPW061-03	250,000	300,020	294,905	32,075	87,976	94,755
CWW041-03	2,085,676	2,287,699	2,287,699	190,642	2,297,067	2,310,623
Subtotal	4,730,947	5,310,030	5,310,030	442,502	5,422,437	5,585,111
Total (net of HST Recoveries)						26,801,057

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

SOLICITATION SUMMARY

Solicitation Issued: November 9, 2022

Solicitation Closed: December 5, 2022

Number of Addenda Issued: Zero (0)

Number of Bids: Four (4)

Table 2: Summary of Bids Received including bid price

Supplier Name	Bid Price (excluding H.S.T.)
Hakson Electrical Solutions Inc.*	\$5,085,500.00
Trade-Mark Industrial Inc.**	\$5,137,020.00****
Ainsworth Inc.***	\$5,217,975.00****
Modern Niagara Toronto Inc.	\$7,331,820.00

*Supplier was found non-compliant with the mandatory requirements

** Primary Supplier

*** Secondary Supplier

****Pursuant of the Request for Quotation document the primary Supplier will be awarded 55 percent of the overall contract value, the secondary Supplier will be awarded 44 percent of the overall contract value in this report.

DIVISION CONTACTS

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William Shea, Director Distribution and Collection, Toronto Water, 416-395-6219,
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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 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

Geneviève Sharkey
Chief Procurement Officer