



BID AWARD PANEL CONTRACT AWARD

Award of Ariba Document Number 3694847548 to The Armstrong Monitoring Corporation for Gas Detection System Maintenance Services for Various Divisions of the City of Toronto

Date: May 11, 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 3694847548

Description:

For the non-exclusive supply of recurring Preventive Maintenance and on-demand repair of Gas Detection Systems installed at various City facilities as needed, for the following Divisions:

1. Corporate Real Estate Management
2. Toronto Water
3. Solid Waste Management Services
4. Seniors Services and Long-Term Care

The award is for an initial contract period of three (3) years from June 1, 2023 to May 31, 2026, with an option in favour of the City to extend the contract on the same terms and conditions for an additional term of up to two (2) separate one (1) year periods.

Should the option(s) be exercised, the Divisions will request the Chief Procurement Officer to process the renewals under the same terms and conditions.

Recommended Supplier:

The Armstrong Monitoring Corporation

Contract Award Value:

\$3,623,390 net of all applicable taxes and charges
\$4,094,430 including HST and all applicable charges

\$3,687,161 net of HST recoveries

Contract is expected to start on June 1, 2023 and end on May 31, 2026.

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

\$1,244,030 net of all applicable taxes and charges

\$1,405,754 including HST and all applicable charges

\$1,265,925 net of HST recoveries

Option Year 2 (June 1, 2027 to May 31, 2028)

\$1,281,351 net of all applicable taxes and charges

\$1,447,927 including HST and all applicable charges

\$1,303,903 net of HST recoveries

The total potential contact award identified in this report including all option years is \$6,148,772 net of all applicable taxes and charges, and \$6,948,112 including all applicable taxes and charges. **The total potential cost to the City, including all option years, is \$6,256,990 net of HST recoveries.**

The above cost calculations for the Option Years reflect an estimated annual 3% increase as per the Consumer Price Index (CPI).

FINANCIAL IMPACT

The total potential contact award identified in this report including all option years is \$6,948,112 including all applicable taxes and charges. The total potential cost to the City including all option years is \$6,256,990 net of HST recoveries.

Funding is available in the 2023 Approved Operating Budgets for all participating divisions and additional funding will be included in their 2024-2026 Operating Budget Submissions. Funding is also available in the 2023-2032 Approved Capital Budget and Plan for Solid Waste Management Services. Should the City exercise the option(s) to renew for an additional two (2) separate one (1) year periods, then additional funding will be included in their 2027-2028 Budget Submissions. Funding details follow in Table 1.

Table 1: Financial Impact Summary of Recommended Contracts (Net of HST Recoveries)
Refer to Attachment 1.

SOLICITATION SUMMARY

Solicitation Issued: January 25, 2023

Solicitation Closed: February 28, 2023

Number of Addenda Issued: Six (6)

Number of Bids: One (1)

Table 2: Summary of Bids Received including bid price

Supplier Name	Bid Price (excluding H.S.T.)*
Lot 1 (Central Zone) The Armstrong Monitoring Corporation	\$474,284
Lot 2 (East Zone) The Armstrong Monitoring Corporation	\$421,968
Lot 3 (West Zone) The Armstrong Monitoring Corporation	\$207,742

* The Bid Price is based on the annual quantity and does not include annual Markup Value.

DIVISION CONTACTS

Clarman Yang, Acting Manager, Purchasing Client Services, Purchasing and Materials Management, Telephone: 416-392-1302, Email: Clarman.Yang@toronto.ca

Scott Helsel, Manager, Facilities Sourcing, Corporate Real Estate Management, Telephone: 647-473-6170, Email: Scott.Helsel@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

Geneviève Sharkey
Chief Procurement Officer

ATTACHMENTS

Attachment 1: Financial Impact Summary of Recommended Contracts