



BID AWARD PANEL CONTRACT AWARD

Award of Ariba Document Number 3866496418 to Carson Electric (1991) Limited / Anronn Electric for the non-exclusive provision of Repair and Maintenance Services for Pumps and Motors for select City of Toronto Divisions

Date: June 1, 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 3866496418

Description:

For the maintenance of pump and motor systems all in strict accordance with the Electrical Safety Authority Guidelines and Original Equipment Manufacturer specifications, best trade practices to maintain the equipment as new condition, to the highest industry standards, for the following Divisions:

1. Corporate Real Estate Management
2. Parks, Forestry and Recreation
3. Solid Waste Management Services

The award is for an initial contract period of three (3) years from July 1, 2023 to June 30, 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:

Carson Electric (1991) Limited / Anronn Electric

Contract Award Value:

\$2,830,452 net of all applicable taxes and charges

\$3,198,411 including HST and all applicable charges

\$2,880,268 net of HST recoveries

Contract is expected to start on July 1, 2023 and end on June 30, 2026.

Option Year 1 - From July 1, 2026 to June 30, 2027

\$971,789 net of all applicable taxes and charges

\$1,098,121 including HST and all applicable charges

\$988,892 net of HST recoveries

Option Year 2 - From July 1, 2027 to June 30, 2028

\$1,000,942 net of all applicable taxes and charges

\$1,131,065 including HST and all applicable charges

\$1,018,559 net of HST recoveries

The above cost calculations include three percent (3%) CPI cost adjustment applied to each term after the initial one (1) year contract period.

The Request for Quotation was structured to award the contract for an initial period of three (3) years from date of award. Following the evaluation, Corporate Real Estate Management and Solid Waste Management Services have determined the need to increase their requirements due to inflationary pressures on parts and additional usage. Lowest Bidder's total bid price was updated to reflect the contract value for three years with 17.41% contingency.

The total potential contact award to supplier identified in this report including all option years is \$4,803,183 net of all applicable taxes and charges, and \$5,427,597 including all applicable taxes and charges. **The total potential cost to the City, including all option years is net of \$4,887,719 HST recoveries.**

FINANCIAL IMPACT

The total potential contact award to supplier identified in this report including all option years is \$4,803,183 net of all applicable taxes and charges, and \$5,427,597 including all applicable taxes and charges. The total potential cost to the City, including all option years is net of \$4,887,719 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) option year periods, then additional funding will be included in their 2027-2028 Operating and Capital Budget Submissions. Additional funding details follow in Table 1.

Table 1: Financial Impact Summary of Recommended Contract (net of HST recoveries)
Refer to Attachment 1.

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

SOLICITATION SUMMARY

Solicitation Issued: March 10, 2023 **Solicitation Closed:** April 18, 2023

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)
Carson Electric (1991) Limited / Anronn Electric	\$803,577.56*

* The Bid Price is based on the quantity for the first year.

DIVISION CONTACTS

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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

Attachments

Attachment 1: Financial Impact Summary of Recommended Contracts