



BID AWARD PANEL CONTRACT AWARD

Award of Ariba Document Number 3937497848 to Valley Integration Inc. for Flowmeter, Pressure Monitoring and Diaphragm Seal Equipment for Toronto Water

Date: September 7, 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 3937497848

Description:

For the Supply and Delivery of Endress + Hauser Manufactured Flowmeter and Pressure Monitoring and Diaphragm Seal Equipment, for a period of two (2) years from the date of award to September 19, 2025, with the option in favour of the City to renew the contract for three (3) 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 Chief Procurement Officer to process the renewals under the same terms and conditions.

Recommended Supplier:

Valley Integration Inc.

Contract Award Value:

\$157,275 net of all applicable taxes and charges
\$177,721 including HST and all applicable charges
\$160,043 net of HST recoveries

Contract is expected to start on date of award and end on September 19, 2025.

Option Year 1 (September 20, 2025 to September 19, 2026)
\$161,993 net of all applicable taxes and charges
\$183,053 including HST and all applicable charges
\$164,844 net of HST recoveries

Option Year 2 (September 20, 2026 to September 19, 2027)
\$166,853 net of all applicable taxes and charges
\$188,554 including HST and all applicable charges
\$169,789 net of HST recoveries

Option Year 3 (September 20, 2027 to September 19, 2028)
\$171,859 net of all applicable taxes and charges
\$194,201 including HST and all applicable charges
\$174,884 net of HST recoveries

The total potential contract award, including all option periods is \$657,980 net of all applicable taxes and charges and \$743,517 including all applicable taxes and charges. **The total potential cost to the City including all option periods is \$669,560 net of HST recoveries.**

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

FINANCIAL IMPACT

The total contract award identified in this report including option years is \$743,517 including all applicable taxes and charges. The total potential cost to the City including option years is \$669,560 net of HST recoveries.

Funding is available in the 2023 Approved Operating Budget and additional funding for the remainder of the Initial Contract Term will be included in the 2024 Operating Budget Submissions for Toronto Water. Funding for 2025 to 2028, should the city exercise the three (3) separate one (1) year periods, will be included in the Operating Budget Submissions for 2025 to 2028 for Toronto Water. Funding details are summarized in Table 1 as follows:

Table 1: Financial Impact Summary of Recommended Contract

Cost Centre/GL	Initial Term Date of Award to December 31, 2023	Initial Term January 1 ,2024 to September 19, 2025	Option Year 1 September 20, 2025 to September 19, 2026	Option Year 2 September 20, 2026 to September 19, 2027	Option Year 3 September 20, 2027 to September 19, 2028	Total (net of HST recoveries)
TW2060/4424	\$40,011	\$120,032	\$164,844	\$169,789	\$174,884	\$669,560

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

SOLICITATION SUMMARY

Solicitation Issued: May 3, 2023
Number of Addenda Issued: Three (3)
Number of Bids: One (1)

Solicitation Closed: June 12, 2023

Table 2: Summary of Bids Received including bid price

Supplier Name	Bid Price (excluding H.S.T.)
Valley Integration Inc.	\$157,274.80

DIVISION CONTACTS

Marie Reid, Manager, Purchasing Client Services, Infrastructure and Development Services, Purchasing and Materials Management Division, 416-397-5187, marie.reid@toronto.ca

Maurice Balaski, Manager, Distribution and Collection, Toronto Water Division, 416-392-5052, maurice.balaski@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