

Amendment to Non-Competitive Blanket Contract Number 47023854 with Wilcox Door Service Inc. for Maintenance and Repair of Overhead Doors

Date: May 15, 2023

To: General Government Committee

From: Executive Director, Corporate Real Estate Management and Chief Procurement Officer

Wards: All

SUMMARY

The purpose of this report is to request authority from the General Government Committee to amend non-competitive blanket contract number 47023854 issued to Wilcox Door Service Inc., for the maintenance and repair of overhead doors, increasing the contract value by \$80,000 net of all taxes and charges (\$81,408 net of Harmonized Sales Tax (H.S.T.) recoveries), from \$1,100,000 net of all taxes and charges (\$1,119,360 net of H.S.T. recoveries) to \$1,180,000 (\$1,200,768 net of H.S.T. recoveries).

The initial non-competitive contract was issued in August 2021, in the amount of \$375,000 net of all taxes and charges (\$381,600 net of H.S.T. recoveries), with an initial end date of January 2022. This contract was necessary to ensure critical services for the maintenance and repair of overhead doors, electrically operated sliding gates, fire doors, dock levelers, and parking arms at City of Toronto locations, including emergency services locations, continued while Corporate Real Estate Management (C.R.E.M.) and Purchasing and Materials Management Division developed and awarded a competitive solicitation. Although C.R.E.M. had an existing contract in place for these services, the services provided were not satisfactory and staff decided to forego the remaining option year available and issue a new competitive solicitation.

Due to the backlog of procurement requirements created since the onset of the pandemic, and the need to incorporate enhanced contract and vendor performance management into a new competitive solicitation, C.R.E.M. required additional time to develop a new solicitation, while continuing to address operational demands. This resulted in a need to amend and extend blanket contract number 47023854 on four occasions with cumulative amendments amounting to \$725,000, net of all taxes and charges, to ensure critical services continued to be provided.

Subsequently, a new competitive solicitation to replace blanket contract number 47023854 was awarded and put in place in May 2023. However, the additional time

required for close-out activities of contract number 47023854 led to a contract overspend in the amount of \$80,000 net of all taxes and charges (\$81,408 net of H.S.T. recoveries). Therefore, an amendment to the contract is required to ensure compliance and complete the close-out process.

RECOMMENDATIONS

The Executive Director, Corporate Real Estate Management, and the Chief Procurement Officer recommend that:

1. The General Government Committee, in accordance with Section 71- 11.1C of the City of Toronto Municipal Code Chapter 71 (Financial Control By-law), grants authority to amend Non-Competitive bridge contract number 47023854 in the amount of \$80,000, net of all taxes and charges (\$81,408 net of H.S.T. recoveries), increasing the contract value from \$1,100,000 (\$1,119,360 net of H.S.T. recoveries) to 1,180,000, net of all taxes and charges (\$1,200,768 net of H.S.T. recoveries).

FINANCIAL IMPACT

The value of the contract amendment identified in this report is \$80,000 net of all taxes and charges (\$81,408 net of Harmonized Sales Tax recoveries). This amendment increases the value of blanket contract 47023854 from \$1,100,000 to \$1,180,000 net of all taxes and charges (\$1,200,768 net of Harmonized Sales Tax recoveries).

Funding for the requested amendment to blanket contract 47023854 is included in the Corporate Real Estate Management 2023 Approved Operating Budget in cost centre FA100-30 under various G/L Accounts.

Table 1: Financial Impact Summary of Non-Competitive Amendments for Contract 47023854

Division and Contract Number	Cost Centre & GL Code	Contract Value as of May 2023	Amendment to Contract (2023 Budget)	Total
CREM, 47023854	FA100-30; Various	\$1,100,000	\$80,000	\$1,180,000
Total Cost		\$1,100,000	\$80,000	\$1,180,000

The Chief Financial Officer and Treasurer has reviewed this report and agrees with the information as presented in the Financial Impact Section.

DECISION HISTORY

At its meeting on March 15, 2023, Bid Award Panel adopted Item BA18.6 regarding the Award of Ariba Document Number 3711927335 to Wilcox Door Service Inc. for the non-exclusive Provision of Overhead Door Maintenance Services for various divisions of the City of Toronto, for a period of three years from May 1, 2023 to March 1, 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.

<https://secure.toronto.ca/council/agenda-item.do?item=2023.BA18.6>

At its meeting on March 3, 2023, the General Government Committee adopted item GG2.25, "Use of Temporary Delegated Authority Regarding Procurement-Related Activities During Council's 2022 Municipal Election Recess," which outlined the uses of delegated authority granted to City staff on a time-limited basis to ensure that City business could continue from the conclusion of the last City Council meeting of the 2018-2022 Council term until the start of the new Council term. An amendment to contract 47023854 with Wilcox Door Services Inc. in the amount of \$225,000 was reported within this report.

<https://secure.toronto.ca/council/agenda-item.do?item=2023.GG2.25>

At its meeting on February 7, 2018, Bid Award Panel adopted item BA62.5 "Award of Request for Quotation No. 6805-17-0229 to Superior Door & Gate System Limited for the Non-exclusive Supply of All Labour, Materials, Equipment and Supervision Necessary to Perform Preventative Maintenance, Emergency Repairs, and Other Miscellaneous Work as Required on Overhead Doors," granting authority to award these services to Superior Door & Gate Systems Limited from the date of award to September 30, 2018, with options in favour of the City to renew the contract for four additional separate one year periods.

<https://secure.toronto.ca/council/agenda-item.do?item=2018.BA62.5>

COMMENTS

Background on Overhead Doors Maintenance and Repair Services Contracts

In 2018, a competitive solicitation was awarded for a one year period, with options for annual renewals up to the end of September 2022, for the repair and maintenance of overhead doors. The scope of work included labour, materials, supplies and equipment needed to service overhead doors at City of Toronto facilities, including emergency services facilities. These services are considered critical, and include emergency repairs that need to be provided across City of Toronto facilities.

Over the past four years C.R.E.M. has implemented enhanced methods and tools to manage contracts and vendors, and strengthened controls around vendor performance and payments. C.R.E.M. staff planned to work with the previous incumbent vendor to introduce and implement these enhanced measures as part of the management of the previous contract. However, several of these new measures were not technically incorporated into the existing contract, creating challenges for C.R.E.M. staff to address performance issues with the vendor. Given these issues, C.R.E.M. staff determined not to exercise the final option year available on the contract, which was valid until

September 2021, and began to immediately identify alternate vendors in the market who could provide these services, while engaging with Purchasing and Materials Management Division to develop and award a new competition solicitation.

In August 2021, C.R.E.M. awarded non-competitive contract number 47023854 in the amount of \$375,000 to Wilcox Door Services Inc. for the maintenance and repair of overhead doors, electrically operated sliding gates, fire doors, dock levelers, and parking arms at City of Toronto locations. The initial term of the contract was until January 2022 to ensure the continuation of these necessary services at City facilities, including emergency services facilities, while C.R.E.M. and Purchasing and Materials Management Division developed and awarded a competitive solicitation. This non-competitive contract was awarded under similar terms and conditions as the previous competitive contracts that were in place, while incorporating the enhanced contract and vendor management controls.

Due to prioritization of the COVID-19 response efforts during the pandemic, and the resulting backlog of procurement requirements, C.R.E.M. focused its resources on immediate operational demands. Furthermore, C.R.E.M. has continued to modernize its solicitations over the past four years, ensuring they incorporate the most updated data and enhanced controls related to contract and vendor performance management. These factors resulted in a longer than anticipated time period to develop and award a new competitive solicitation for these services. Operational demands for these services continued during this time, resulting in a need to amend non-competitive contract 47023854 by a cumulative total of \$725,000 and revise the end date to May 15, 2023.

New Contract Award

In December 2022, C.R.E.M. and Purchasing and Materials Management Division issued a competitive solicitation for overhead door and related maintenance services. Staff completed the solicitation process, and in March 2023 awarded Request for Quotation Ariba Document Number 3711927335 to Wilcox Door Services Inc. for the non-exclusive provision of overhead door maintenance services for various divisions at the City of Toronto, for a period of three years from May 1, 2023 to March 1, 2026 with an option to extend the contract for additional two separate one year periods. This award includes several of the enhanced elements related to contract and vendor management, including asset-based maintenance plans and billings, strengthening controls around invoicing for services performed, use of technology to validate services performed (e.g. electronic service reports), the use of geo-location data incorporated into work orders and billing records, and updated service level agreements to measure and evaluate performance.

This award allowed C.R.E.M. to begin the close-out of contract 47023854 and transition services to the new competitive contract. Between the award date in March 2023 to the new contract commencement date of May 1, 2023, service and operational demands continued and staff completed the necessary administrative steps to close-out the previous contract. Through this process, it was determined there was a minor overspend required on contract 47023854 in the amount of \$80,000 net of all taxes and charges (\$81,408 net of H.S.T. recoveries).

Given the above, C.R.E.M. and Purchasing and Materials Management Division are seeking authority to amend non-competitive contract number 47023854 by \$80,000, net of all taxes and charges (\$81,408 net of H.S.T. recoveries), increasing the total contract value to \$1,180,000 net of all taxes and charges (\$ 1,200,768 net of H.S.T. recoveries).

CONTACT

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SIGNATURE

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