REPORT FOR ACTION WITH CONFIDENTIAL ATTACHMENT

Electric Vehicle (EV) Charging Equipment and Related Services Contract Award

Date: November 28, 2022
To: Board of Directors, Toronto Parking Authority
From: President, Toronto Parking Authority
Wards: All

REASON FOR CONFIDENTIAL INFORMATION

The attachment to this report contains a trade secret or scientific, technical, commercial, financial, or labour relations information, supplied in confidence to the City or Toronto Parking Authority, which, if disclosed, could reasonably be expected to prejudice significantly the competitive position or interfere significantly with the contractual or other negotiations of a person, group of persons, or organization.

SUMMARY

As part of its vision to become the world's best provider of sustainable parking, bike share and last mile mobility experiences, Toronto Parking Authority (TPA) is executing an ambitious rollout plan for Electric Vehicle (EV) Charging across the City of Toronto. The plan includes the installation of over 500 EV charging stations at TPA off-street parking locations by the end of 2024 and a minimum of 50 on-street public EV charging stations before the end of 2023.

To support the delivery and operation of EV charging infrastructure in 2023 and 2024, TPA is seeking to enter into contracts for the purchase and related services of EV charging stations. These contracts will be entered into directly with EV charging equipment and network operators and will support timely installation and reliability of EV charging stations.

TPA leveraged its membership with Canadian-based cooperative purchasing organization Kinetic GPO to access pre-qualified Vendors of Record (VOR) for EV charging and related services. Following a review of the master agreements and in consultation with City of Toronto Purchasing and Materials Management and Legal Services divisions, TPA is recommending that EV charging equipment and related services contracts be awarded to all pre-qualified vendors on the roster: ChargePoint Inc. (ChargePoint) and Services FLO Inc. (Flo).

ChargePoint and Flo are both recommended to be included in the Electric Vehicle Charging Equipment and Related Services Vendor of Record (VOR) Agreement for a two (2) year term. Throughout the duration of the contract, TPA will issue a Request for Service (RFS) to acquire goods and services from the vendors listed in the VOR according to the specific requirements of each project. A secondary evaluation of the RFS responses will be conducted by TPA with a specific vendor identified to provide goods and services for a specific project.

TPA recommends that the total upside limit of this contract award does not exceed $10,618,000 (excluding Harmonized Sales Tax (HST)). The funding for these contracts is included in the recently Board approved TPA 2023 Operating and Capital Budgets and 2023 - 2025 Three Year Capital Plan.

RECOMMENDATIONS

The President, Toronto Parking Authority recommends that:

1) The Board of Directors of Toronto Parking Authority provide authority to the President, Toronto Parking Authority, to award the Electric Vehicle Charging Equipment and Related Services contract to both ChargePoint Inc. and Services Flo Inc. having been pre-qualified by cooperative purchasing organization Kinetic GPO. The upside limit for this contract shall not exceed $10,618,000, excluding Harmonized Sales Tax.

   Total Potential Contract Award Value (for all vendors included in the Vendor of Record (VOR)):

   Year One (1) (From date of award to December 31, 2023):

   $4,485,000 excluding HST
   - $4,074,000 in capital expenses
   - $411,000 in operating expenses

   Year Two (2) (January 1 - December 31, 2024):

   $6,133,000 excluding HST
   - $5,644,000 in capital expenses
   - $489,000 in operating expenses

   The total potential cost is $10,618,000 excluding HST; and,

2) The Board of Directors, Toronto Parking Authority direct that Confidential Attachment 1 remain confidential in its entirety, as it relates to a Trade secret or scientific, technical, commercial, financial, or labour relations information, supplied in confidence to the City or Toronto Parking Authority, which if disclosed, could reasonably be expected to prejudice significantly the competitive position or interfere significantly with the contractual or other negotiations of a person, group of persons, or organization.

FINANCIAL IMPACT

TPA is seeking authority to award this multi-year contract for Electric Vehicle Charging Equipment and Related Services for $10,618,000, excluding HST. There is no set amount to be assigned to each vendor.

Funding for these contracts is included in the recently Board-approved TPA 2023 Operating Budget and 2023 - 2025 Capital Plan. The vendors will be retained for a two (2) year term.

Capital costs include anticipated expenditures on EV charging equipment, hardware accessories (e.g. cable management systems and pedestals), and product warranties. Operating costs include anticipated expenditures on global management services (e.g. cellular network connectivity, real-time monitoring dashboards, 24/7 customer support) and transaction fees which are charged in exchange for the collection and processing of session fees on behalf of EV customers and help offset costs associated with payments including credit card processing fees.

DECISION HISTORY

N/A

COMMENTS

As part of TPA's EV Charging Program, TPA is planning to install over 500 EV charging stations at off-street parking locations by the end of 2024 and a minimum of 50 on-street public EV charging stations before the end of 2023. To build this public charging network, TPA has retained consultant services from multiple engineering firms to complete the design, tendering and construction administration work related to the development of the network. The final phase of the EV network development however requires the procurement of charging equipment.

In 2022, TPA relied on civil and electrical contractors and sub-contractors to purchase and install EV charging equipment as part of its construction tenders at six (6) off-street car parks. This model has resulted in delays in the delivery of equipment and additional complexities with purchasing related services including extended warranties, network management and payment services. To facilitate the engagement model between TPA and EV network operators, and to mitigate supply chain delays in the future, TPA is seeking to bulk purchase chargers directly from leading EV charging suppliers 4-6 months earlier than required. EV chargers will be placed in storage for expedited access by TPA construction contractors.

TPA leveraged its membership with Canadian-based cooperative purchasing organization Kinetic GPO to access pre-qualified Vendors of Record for EV Charging and Related Services. Kinetic GPO was established for broader Public Sector entities across Canada with the specific purpose of reducing procurement cost by leveraging the purchasing power of group buying and saving members time by simplifying steps to procure. Group Purchasing Organizations (GPO) are widely used in the Public Sector in Canada including the City of Toronto.

Following a review of Kinetic GPO's master agreements and in consultation with City of Toronto Purchasing and Materials Management and Legal Services divisions, TPA is recommending that the EV Charging Equipment and Related Services contract be awarded to all pre-qualified vendors on the Kinetic GPO EV category roster; specifically, ChargePoint and FLO.

These two providers are widely recognized as the Canadian industry leaders in EV charging equipment and network operations, and by the end of 2022, TPA will already own and operate chargers supplied by both providers.

As per the master agreements with Kinetic GPO, both EV service providers have already been pre-qualified and have agreed to basic terms and conditions which will guide their agreements with TPA including pre-negotiated pricing for EV equipment and on global management services (e.g. cellular network connectivity, real-time monitoring dashboards, 24/7 customer support).

ChargePoint and Flo are both recommended to be included in the Electric Vehicle Charging Equipment and Related Services VOR Agreement for a two (2) year term and with a total upside limit of $10,618,000 excluding HST. Throughout the duration of the contract, TPA will issue a RFS to acquire goods and services from the vendors listed in the VOR according to the specific requirements of each project. A secondary evaluation of the RFS responses will be conducted by TPA with a specific vendor identified to provide goods and services for a specific project.

Should TPA Board of Directors adopt the recommendations in this report, TPA will notify the hardware providers and proceed to the contract execution stage in late December 2022.

CONTACT

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SIGNATURE

W. Scott Collier, President
Toronto Parking Authority

ATTACHMENTS

Confidential Attachment 1 – Price Lists and Terms and Conditions