TORONTO

# BID AWARD PANEL
# CONTRACT AWARD

## Award of Doc4381092648 to IPE Canada for the non-exclusive supply of Maintenance and Repair Services for Automatic Transfer Switches for select City of Toronto Divisions

**Date:** August 29, 2024
**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 Doc4381092648

**Description:**
For the Maintenance and Repair of Automatic Transfer Switches following OEM specifications to maintain the equipment in proper working order for the following Divisions:

1. Corporate Real Estate Management
2. Senior Services and Long-Term Care

The award is for an initial contract period of three (3) years from the date of award to August 31, 2027, with the City having the option to extend the contract on the same terms and conditions for 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:**
IPE Canada

**Contract Award Value:**
$875,693 net of all applicable taxes and charges
$989,533 including HST and all applicable charges

**$891,905 net of HST recoveries**

**The contract is expected to start on the date of award and end on August 31, 2027.**

Option Year 1 - September 1, 2027, to August 31, 2028
$300,655 net of all applicable taxes and charges
$339,740 including HST and all applicable charges
$305,946 net of HST recoveries

Option Year 2 - September 1, 2028, to August 31, 2029
$309,674 net of all applicable taxes and charges
$349,932 including HST and all applicable charges
$315,124 net of HST recoveries

The total potential contract award identified in this report, including all option years, is $1,486,021 net of all applicable taxes and charges and $1,679,204 including all applicable taxes and charges. **The total potential cost to the City, including all option years, is $1,512,175 net of HST recoveries.**

The above cost calculations reflect a 3% Consumer Price Index adjustment applied annually to each year's cost after the initial period.

## FINANCIAL IMPACT

The total potential contract award identified in this report, including all option years, is $1,486,021 net of all applicable taxes and charges and $1,679,204, including all applicable taxes and charges. The total potential cost to the City, including all option years, is $1,512,175 net of HST recoveries.

Funding for the initial term of $41,083 is available in the 2024 Operating Budgets for Seniors Services and Long-Term Care, and $57,928 is available in Corporate Real Estate Management. Additional funding for the remainder of the initial term will be included in their 2025-2027 Operating Budget Submissions. Should the City exercise the option(s) to renew for a further two (2) separate one (1) option year periods, then additional funding will be included in their 2027-2029 Operating Budget Submissions. Funding details are included in Table 1 below.

Table 1: Financial Impact Summary of Recommended Contract

| Division | CREM | SSLTC | Totals |
|---|---|---|---|
| Cost Centre and Cost Element | FA100-30<br>C/E 4410 | D3Z991<br>C/E 2999<br><br>D3*061<br>C/E 4410 | |

| | | | |
|---|---|---|---|
| Initial Term | | | |
| Date of award to December 31, 2024 | $57,928 | $41,083 | $99,011 |
| January 1, 2025 to December 31, 2025 | $173,785 | $123,249 | $297,034 |
| January 1, 2026 to December 31, 2026 | $173,785 | $123,249 | $297,034 |
| January 1, 2027 to August 31, 2027 | $115,857 | $82,166 | $198,023 |
| Sub-total | $521,355 | $369,747 | $891,102 |
| Optional Terms | | | |
| September 1, 2027 to August 31, 2028 | $178,999 | $126,948 | $305,947 |
| September 1, 2028 to August 31, 2029 | $184,370 | $130,756 | $315,126 |
| Total including optional terms (net of HST recoveries) | $884,724 | $627,451 | $1,512,175 |

The Chief Financial Officer and Treasurer has reviewed this report and agrees with information included in the Financial Impact section.

## SOLICITATION SUMMARY

**Solicitation Issued:** May 14, 2024 **Solicitation Closed:** June 11, 2024
**Number of Addenda Issued:** Three (3)
**Number of Bids:** Three (3)

Table 2: Summary of Bids Received:

| Supplier | Bid Price* |
|---|---|
| IPE CANADA INC. | $243,248.00 CAD** |
| POWER STATION INC. | $421,800.00 CAD |

| Supplier | Bid Price* |
|---|---|
| A1 GENERATORS | $605,737.00 CAD |

* The Bid Price represents the supplier's bid on the annual quantity of work identified in the call package for the first year.
**Pursuant to the Request for Proposals document, the contract award value includes Contingency.

## DIVISION CONTACTS

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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 Supplier with the lowest bid meeting specifications or 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 the 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