

## **Award of Doc4607851677 to Neptune Technology Group Canada Co. for the Supply and Delivery of Water Meters, and Related Appurtenances**

**Date:** April 28, 2025

**To:** General Government Committee

**From:** General Manager, Toronto Water and the Chief Procurement Officer

**Wards:** All

### **SUMMARY**

---

The purpose of this report is to advise of the results of Request for Quotation Doc4607851677 for the non-exclusive supply and delivery of Water Meters, and related Appurtenances. Toronto Water is requesting authority to award and enter into an agreement with Neptune Technology Group Canada Co., the lowest compliant bid received for the solicitation.

The contract is for a one (1) year term with an option in favour of the City to extend the contract on the same terms and conditions for four (4) additional separate one (1) year periods. The initial one (1) year term of the contract from the date of award to April 30, 2026, all in accordance with the terms, conditions, and specifications contained in the Request of Quotation document and any applicable City Policy. in the amount of \$4,127,603 net of all applicable taxes and charges (\$4,200,249 net of HST recoveries), and four (4) additional separate one (1) year period in the amount of \$21,914,007 net of all applicable taxes and charges (\$22,299,694 net of HST recoveries).

### **RECOMMENDATIONS**

---

The General Manager, Toronto Water and Chief Procurement Officer recommends that:

1. The General Government Committee, in accordance with Section 195-8.4A of the Toronto Municipal Code Chapter 195 (Purchasing By-Law) grant authority to the General Manager, Toronto Water to award and enter into an agreement with Neptune Technology Group Canada Co., being the lowest complaint bidder meeting the specifications of Request for Quotation Doc4607851677, for the non-exclusive supply, and delivery of Water Meters, and related Appurtenances for City of Toronto's Toronto Water Division for the initial one (1) year term of the contract from the date of award, in the total amount of \$4,127,603 net of all applicable taxes and charges (\$4,200,249 net

of HST recoveries), and four (4) additional separate one (1) year periods, for a total possible contract value of \$21,914,007 net of all applicable taxes and charges (\$22,299,694 net of HST recoveries), all in accordance with the terms, conditions, and specifications contained in the Request for Quotation and any applicable City policy.

## FINANCIAL IMPACT

---

The total potential contract award identified in this report, including all option years, is \$21,914,007 net of all applicable taxes and charges. The total potential cost to the City including all option years, is \$22,299,694 net of HST recoveries.

Funding is available in the 2025 - 2034 Capital Budget and Plan for Toronto Water. Should the City exercise the optional periods, then additional funding will be included in the 2026-2030 Capital Budget Submissions for Toronto Water. Funding details are provided in Table 1.

**Table 1: Financial Impact Summary (Net of HST Recoveries)**

Cost Centre/WBS Element/Description	Dates	Total Net of HST recoveries
CPW532-02-02 / Automated Meter Reading System	Initial Term - Date of Award to December 31, 2025	\$2,800,166
CPW532-02-02 / Automated Meter Reading System	Initial Term - January 1, 2026 to April 30, 2026	\$1,400,083
CPW532-02-02 / Automated Meter Reading System	Option Year 1 – May 1, 2026 to December 31, 2026	\$2,884,171
CPW532-02-02 / Automated Meter Reading System	Option Year 1- Jan. 1, 2027 to April 30, 2027	\$1,442,086
CPW532-02-02 / Automated Meter Reading System	Option Year 2 – May 1, 2027 to December 31, 2027	\$2,970,696
CPW532-02-02 / Automated Meter Reading System	Option Year 2 – Jan. 1, 2028 to April 30, 2028	\$1,485,348
CPW532-02-02 / Automated Meter Reading System	Option Year 3 - May 1, 2028 to December 31, 2028	\$3,059,817

Cost Centre/WBS Element/Description	Dates	Total Net of HST recoveries
CPW532-02-02 / Automated Meter Reading System	Option Year 3 – Jan. 1, 2029 to April 30, 2029	\$1,529,909
CPW532-02-02 / Automated Meter Reading System	Option Year 4 - May 1, 2029 to December 31, 2029	\$3,151,612
CPW532-02-02 / Automated Meter Reading System	Option Year 4 – Jan. 1, 2030 to April 30, 2030	\$1,575,806
Total net of HST recoveries		\$22,299,694

The above reflects a three (3) percent per year increase in the Consumer Price Index (CPI) adjustment applied annually to subsequent year cost after the initial one (1) year period.

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

**DECISION HISTORY**

---

The Bid Award Panel adopted Item Number 2019 BA32.3 at its meeting held on July 3, 2019, Item 3.0 adopted, thereby authorizing the award of Request of Quotation Number 0713-19-7126 to Neptune Technology Group Canada Co. for the supply and delivery of Water Meters, and related Appurtenances for City's Toronto Water Division in the amount of \$10,936,841 net of all applicable taxes and charges (\$11,129,329 net of HST recoveries). The Bid Award Panel decision can be found at: [Agenda Item History - 2019.BA32.3](#)

**COMMENTS**

---

**Background:**

Water meters are a vital component of Toronto’s water distribution system. They ensure accurate billing by tracking actual water usage, which allows customers to be charged fairly. This also encourages water conservation, as people are more mindful of their consumption when they can see their usage. Additionally, water meters help detect leaks in the system or at individual properties, minimizing water loss and reducing costly repairs. They provide essential data that helps improve the efficiency of water distribution, support infrastructure planning, and ensure the system operates smoothly. Meters also contribute to revenue generation by supporting fair billing, which helps fund

the maintenance and improvement of the city's water infrastructure. They align with Toronto's environmental goals by reducing unnecessary water use, thus lowering the energy required to treat and pump water. Finally, water meters ensure compliance with regulations, providing the necessary data for reporting and oversight. In short, water meters are key for accurate billing, conservation, leak detection, operational efficiency, and supporting Toronto's sustainability and regulatory needs.

The existing contract for Water Meters expired on June 30, 2024, and a bridge contract was created to ensure continued services until April 30, 2025.

**Procurement Process:**

Request for Quotation Doc4607851677 was issued on September 20, 2024, for the non-exclusive supply and delivery of Water Meters, and related Appurtenances for Toronto Water was issued by Purchasing and Materials Management Division and was advertised on both the City's and Ariba Discovery websites on September 20, 2024, with a closing date of November 27, 2024 and issuance of two (2) addenda. Two (2) submissions were received which are summarized in Table 2 below.

Purchasing and Materials Management Division has conducted an unbalanced bid analysis report. Toronto Water performed mandatory technical checks on both the bid submissions and confirmed that the supplier, Neptune Technology Group Canada Co., met all mandatory technical requirements.

**Table 2: Summary Bids Received**

Supplier Name	Bid Price (excluding HST)
Wamco Water Works A Division of Emco Corp.*	\$3,850,285.00
Neptune Technology Group Canada Co.	\$4,127,603.44

\*Supplier was found non-compliant with the mandatory requirements

**Contract Award**

The bid was reviewed and evaluated by staff from Purchasing and Materials Management Division and the Toronto Water Division and were found to be in conformance with the Request for Quotation requirements. The recommended supplier for this award is Neptune Technology Group Canada Co. as the lowest Supplier, meeting the requirements as set out in the Request of Quotation Doc4607851677.

The Fair Wage Office has reported that the recommended Supplier has reviewed and understands the Fair Wage Policy and Labour Trades requirements and has agreed to comply fully with both.

## **CONTACT**

---

Sam Zurzolo, Director, Technology and Customer Experience, Toronto Water,  
Telephone: 416-397-7336, Email: [sam.zurzolo2@toronto.ca](mailto:sam.zurzolo2@toronto.ca)

Marie Reid, Manager, Infrastructure and Development Services, Purchasing Client  
Services, Purchasing and Materials Management, Telephone: 416-397-5187,  
Email: [Marie.Reid@toronto.ca](mailto:Marie.Reid@toronto.ca)

## **SIGNATURE**

---

Lou Di Gironimo  
General Manager, Toronto Water

Geneviève Sharkey,  
Chief Procurement Officer