



Report to: General Committee

Meeting Date: April 1, 2025

SUBJECT: 177-R-24 Electrical Services for Various City Facilities

PREPARED BY: Darius Chung, Senior Buyer, Ext. 2025
David McDowell, Facility Asset Coordinator, Ext. 3526
Joanna Chan, Senior Financial Analyst, Ext. 2073

RECOMMENDATION:

- 1) That the report entitled “177-R-24 Electrical Services for Various City Facilities” be received; and,
- 2) That the contract be awarded to the highest ranked / Lowest Priced bidder, Igman Electric Ltd., for a term of four years in the estimated amount of \$1,594,160.00 inclusive of HST as per the following;
Year 1 - April 1, 2025 - March 31, 2026 - \$ 398,540.00
Year 2 - April 1, 2026 - March 31, 2027 - \$ 398,540.00
Year 3 - April 1, 2027 - March 31, 2028 - \$ 398,540.00
Year 4 - April 1, 2028 - March 31, 2029 - \$ 398,540.00
Total: \$ 1,594,160; and,

Pricing will be firm for the initial two years of the contract ending March 31, 2027 and year 3 commencing April 1, 2027 will be subject to Consumer Price Index (CPI) increase to a maximum of 3%; and,

- 3) That the contract includes an option for the City (in its sole discretion) to extend the contract for up to four additional years to be exercised in two (2) year periods. Pricing will be subject to CPI increase to a maximum of 3% if the extension is exercised on April 1, 2029 and again on April 1, 2031; and,
- 4) That the Director of Sustainability & Asset Management and Senior Manager of Procurement & Accounts Payable be authorized to extend the contract for an additional four years, in two (2) year periods, subject to adoption of the annual operating budget and satisfactory performance; and,
- 5) That the estimated annual amount of \$398,540.00 (inclusive of HST) be funded from various operating accounts; and,
- 6) That the annual operating shortfall in 2025 in the amount of \$103,290 (budget of \$295,250 – cost of award of \$398,540) be absorbed as part of the 2025 results of operations and that the incremental operating budget impact as a result of the shortfall be adjusted as part of the 2026-2033 operating budgets subject to adoption; and,
- 7) That the award amounts in 2026 to 2033 be subject to Council adoption of the respective annual operating budgets; and,
- 8) That staff be authorized and directed to do all things necessary to give effect to this resolution.

PURPOSE:

The purpose of this report is to obtain approval to award the contract for city-wide electrical service and maintenance work at various City facilities on an as-required basis.

BACKGROUND:

On demand and emergency electrical services for all City facilities is needed on a 24 hour, 7-day-per-week basis to ensure safe operation of City assets. This contract is for 24/7 electrical services on an as-required basis for day-to-day repairs not to exceed a value of \$5,000.00, pre-tax, per repair. For any job in excess of \$5,000.00, pre-tax, the City reserves the right to competitively price the work. The contract also includes priority response time within one hour for emergency services.

The work includes all materials, certified electrical labour and equipment necessary to provide Electrical Safety Authority (ESA) compliant electrical services to various locations within the City, including recreation centres, cultural facilities, fire stations, and administrative buildings. The work includes, but is not limited to the following:

- Cleaning and re-lamping;
- Replacement of faulty or broken luminaire components;
- Repairs to fusible or breaker-type disconnects, contactors, time switches, and similar type of work;
- Repairs to underground and overhead wiring;
- Sports field lighting;
- Alarm systems;
- Fire safety equipment;
- Irrigation electrical components;
- Underground locates;
- High voltage circuits;
- HVAC systems;
- Electrical inspection of facilities.

All electrical work in City facilities will be performed or supervised by a certified / licensed trade personnel, with a minimum of 5 years of relevant experience, who holds a valid Ontario Provincial Journeyman Electrician License #309A issued by the Ontario Ministry of Training, Colleges and Universities Contractor and will comply with the journeyman to apprentice ratio requirements under the Ontario College of Trades, regulation O.Reg.104/14.

This work cannot be undertaken by City employees due to a variety of reasons including liability, sheer volume of service calls (approximately 400 service calls per year), availability of electrical components/materials and specialized equipment such as scissor lifts/aerial platforms, articulating booms, and service vehicles.

PROPOSAL INFORMATION:

Bid closed on	January 20, 2025
Number picking up bid document	28
Number responding to bid	19

PROPOSAL EVALUATION:

The evaluation team was comprised of staff from Recreation and Asset Management and staff from the Procurement Department acted as the evaluation facilitator.

The evaluation was based on pre-established evaluation criteria as outlined in the Request for Proposal: Company Profiles & Resources 10%, Relevant Experience 20%, Qualification of Staff 15%, Service Delivery, Methodology and Response Time 20%, Health and Safety 5%, and price 30%, for a total of 100% with the resulting score as noted below.

Bidder	Total Score (100 points)
Igman Electric Ltd.	86

Igman Electric Ltd. is one of the three rostered incumbents and has been the citywide electrical service contractor since 2020. Since then, they have proven to be reliable and staff are pleased with their performance and workmanship. This contract is awarded in whole to one electrical service provider to reduce contract administration and streamline services.

FINANCIAL CONSIDERATIONS:

Recommended bidder	Igman Electric Ltd. (lowest priced / highest ranked bidder)	
Current budget available	\$ 295,250.00	Various Accounts
Less cost of award	\$ 398,540.00	April 1, 2025 – March 31, 2026
	\$ 398,540.00	April 1, 2026 – March 31, 2027
	\$ 398,540.00	April 1, 2027 – March 31, 2028*
	\$ 398,540.00	April 1, 2028 – March 31, 2029
	\$ 398,540.00	April 1, 2029 – March 31, 2030*
	\$ 398,540.00	April 1, 2030 – March 31, 2031
	\$ 398,540.00	April 1, 2031 – March 31, 2032*
	\$ 398,540.00	April 1, 2032 – March 31, 2033
	\$ 3,188,320.00	Total cost of award (Incl. of HST)
Budget shortfall	(\$103,290.00)	

*Subject to CPI increase (February- February) to a maximum of 3%. The annual cost of award is an estimated amount based on a 3-year historical average and should not exceed \$398,540. Actual cost may vary year to year based on volume of service calls.

The term of the Contract is for four (4) years commencing on April 1, 2025 and ending on March 31, 2029 with the option of the City (in its sole discretion) to renew for an additional four (4) additional years to be exercised in two (2) year periods at the same pricing, terms and conditions set out in the Contract. Pricing will be firm fixed for the first two years of the Contract and first two years of the extension if exercised. Extension years are subject to CPI increase to a maximum of 3%.

The potential shortfall of \$103,290 in the upset budget provided for in this contract (which was estimated based on the 3-year historical average spend) is reflective of as-required electrical services (volume) having increased in the last 4 years with more electrical hours performed in 2023 vs. 2021. This increase is primarily due to facility growth and aging facility equipment as hourly rates have remained the same since 2021. Staff will continue to monitor electrical service hours utilized in future years.

Under this new contract, the hourly rate has remained consistent or has been reduced for each service type categorized as follows:

1. Licensed Journeyperson / Electrician (Regular Hours) - \$61/hour (Increased from \$60.18/hour)
2. Electrical Apprentice (Regular Hours) - \$32/hour (Increased from \$31.62/hour)
3. Licensed Journeyperson / Electrician (After Hours) – \$88/hour (Reduced from \$90.27/ hour)
4. Electrical Apprentice (After Hours) \$32/hours (Reduced from \$47.43/hour)

OPTIONS/DISCUSSION:

The number of electrical services calls each year varies and the budget available is based on the average cost for the last three years (2022, 2023,2024). Annual costs will fluctuate from year to year based on equipment lifecycle.

By awarding this contract, the City will be able to maintain service levels and fixed pricing from 2025-2027 and avoid any potential for large market increases from 2027-2033 seeing a maximum of 3% if each optional extension period is exercised for a maximum of 9% over the entire life of the contract.

The applicable department staff oversees all electrical service requisitions for their facility and utilized operating accounts to fund service repairs which are verified and authorized by the department manager.

OPERATING BUDGET AND LIFE CYCLE IMPACT:

The annual operating shortfall in 2025 will be absorbed as part of the 2025 results of operations. The incremental operating budget impact (35% increase from current budget) as a result of the shortfall will be adjusted as part of the 2026-2033 operating budgets subject to adoption. There is no incremental Life Cycle impact.

ENVIRONMENTAL CONSIDERATIONS:

All waste will be disposed of at an authorized dump, waste treatment site or recycling facility by the Contractor, and will be disposed of in accordance with applicable by-laws and regulations.

PEOPLE SERVICES CONSIDERATIONS:

Not Applicable

ALIGNMENT WITH STRATEGIC PRIORITIES:

Goal	Examples – How the Solution can Help Achieve the Goal
Exceptional Services by Exceptional People	Igman Electric Ltd. has been providing excellent and reliable electrical service for the last 5 years.
Engaged, Diverse & Thriving City	Ensures assets are kept operational, safe, and reliable for staff and users.
Safe & Sustainable Community	Ensures safe operation of City assets for both staff and users.
Stewardship of Money & Resources	This competitive procurement received 19 proposals from local electrical service providers and demonstrates good value for the City.

BUSINESS UNITS CONSULTED AND AFFECTED:

Comments from Recreation and Sustainability & Asset Management departments have been incorporated into this report and are supportive of the recommendation.

RECOMMENDED BY:

Graham Seaman,
Director, Sustainability & Asset
Management

Trinela Cane, Commissioner,
Corporate Services

ATTACHMENTS:

Not Applicable