



Report to: General Committee

Meeting Date: February 1st 2021

SUBJECT: Award of Contract # 195-R-20 Electrical Services for Various City Locations on an As-Required Basis

PREPARED BY: Jason Ramsaran, Facility Assets Coordinator, ext. 3526
Flora Chan, Senior Buyer, ext. 3189

RECOMMENDATION:

- 1) That the report “Award of Contract #195-R-20 Electrical Services for Various City Locations on an As-Required Basis” be received; and,
- 2) That the contract be awarded to the three (3) highest ranked bidders / lowest priced bidders - Aps Electric, Holley Electric Ltd., and Igman Electric Ltd., in the estimated annual amount of \$295,250.00 inclusive of HST impact; and,
- 3) That Staff be authorized to extend the contract for three (3) additional years. Years 1&2 will be at same itemized pricing, and prices for Years 3&4 will be adjusted at Year 3 in accordance with the consumer price index (CPI) Canada all-items not to exceed a 2% price increase, subject to supplier performance; and,
- 4) That the contract be funded from various City Departments’ Operating Budgets on an as required basis; and,
- 5) That the award amounts in 2022 to 2024 be subject to Council approval of the respective year’s operating budgets and that the award amounts be amended to reflect changes to the various departments’ budget accounts as approved by Council during the annual budget process; and,
- 6) That Staff be authorized to issue three (3) purchase orders for each of the three (3) awarded bidders in an annual amount of \$98,470.00 and to reallocate purchase order fund commitments among the three (3) awarded bidders based on actual usage within each term of the contract; and further,
- 7) 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 to a roster of three (3) electrical contractors for services required at various City locations on an as-required basis for a period of four (4) years.

BACKGROUND:

The contract is to provide electrical services on a 24 hour, 7-day-per-week basis. The contract also includes priority response time within 1-2 hours for emergency services at citywide facilities.

The specified work under this contract includes all such electrical work that cannot be undertaken by City employees and may include, 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
- Electrical inspection of Facilities
- Short term calls for special high amperage tie-ins at Markham Theatre - where certain touring groups require high amperage tie-ins

The City issues an average of 260 work orders per year for requirements valued under than \$5,000.00. To ensure service levels are met across all City locations, a roster of three (3) highest ranked electrical contractors that meet the mandatory and technical requirements is recommended. Contractors on this roster are also pre-qualified to submit a quotation in response to the City's electrical service requirements valued up to \$25,000.00. Projects with value over \$25,000.00 are not covered under this contract, as they will be publicly advertised and open to all bidders that possess the necessary qualifications and experience.

PROPOSAL INFORMATION:

Bids closed on	November 20, 2020
Number picking up bid documents	27
Number responding to bid	21

EVALUATION RESULTS:

The Bid Evaluation Committee was comprised of staff from Recreation Services and Sustainability & Asset Management Department, with staff from Procurement acting as the evaluation facilitator.

The evaluation was based on the pre-established evaluation criteria as listed in the Request for Proposal: Price 30%, Experience and Qualification of Company 35%, Experience and Qualification of Personnel 15%, and Service Delivery and Methodology 20%, for a total of 100% with resulting scores as below:

Bidder	Total Score (100%)	Overall Ranking
APS Electric	99.0	1
Holley Electric Ltd	95.7	2

Igman Electric Ltd.	92.3	3
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Note: The average hourly rate is \$47/hr among the three recommended bidders compared to an average hourly rate of \$80/hour from all other bidders.

FINANCIAL CONSIDERATIONS

Budget Available	\$ 295,250.00	Various operating accounts from Library, Recreation, Operations, SAM & Culture*
Cost of award	\$ 295,250.00	Year 1 - 2021**
	\$ 295,250.00	Year 2 - 2022***
	\$ 301,155.00	Year 3 - 2023***
	\$ 301,155.00	Year 4 - 2024***
	\$1,192,810.00	Total Award (Inclusive of HST)
Budget Remaining	\$ 0.00	

* Funded from the various departments' operating budget accounts on an as-required basis

** Cost of award is estimated based on prior years' actual volume over 45 accounts

*** Subject to Council approval of the annual operating budgets

Note: Under this new contract, estimated annual spend is expected to decrease by 19%, from \$295,250.00 to \$239,416.14, based on previous actual volume and average prices of the three recommended bidders for hourly rates, material and equipment rental mark-ups. In 2021, Staff will monitor the results and based on usage will review the opportunity to reduce the 2022 budget accordingly.

OPERATING BUDGET AND LIFE CYCLE IMPACT:

Since the operating budget are shared across various departments and pay for various facilities maintenance costs, the budget will not be reduced at this time and will be reviewed as part of the annual budget review process. There is no impact to Life Cycle Reserve Study.

ENVIRONMENTAL CONSIDERATIONS:

The contract will include the replacement of old lights with new LED lights, the contractors will ensure the City receives applicable energy incentives when replacing old lights with new LED lights. 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.

HUMAN RESOURCES CONSIDERATIONS

Not Applicable

ALIGNMENT WITH STRATEGIC PRIORITIES:

Not Applicable

BUSINESS UNITS CONSULTED AND AFFECTED:

Recreation and Sustainability & Asset Management departments have historically been primary users of this contract and were involved in the tender evaluation process of this award.

RECOMMENDED BY:

Graham Seaman
Director of Sustainability &
Asset Management

Trinela Cane,
Commissioner, Corporate
Services