



Vendor Award: Demand Electrical Maintenance Services (VAC 22362/RFP 22023)

Item 9B

July 28, 2022

Board of Directors

Report: TCHC:2022-46

To: Board of Directors (the “Board”)

From: Building Investment, Finance and Audit Committee
 (“BIFAC”)

Date: July 27, 2022

PURPOSE:

The purpose of this report is to seek the Board’s approval to award work totaling up to \$18,000,000.00 (exclusive of taxes) to ARC Electrical, Igman Electric Ltd, Oak Ridge Building Solutions and Pegasus Electric Company for demand electrical maintenance services on an as-needed basis throughout the entire TCHC portfolio. The contract is for a five (5) year term based on the outcome of Request for Proposals (RFP) 22023.

BIFAC approval is required for this award as it exceeds the \$2.5 million financial approval limit of TCHC’s Procurement Award Committee (“PAC”), and Board of Directors (the “Board”) approval is required as it exceeds the \$5 million financial approval limit of the BIFAC.

RECOMMENDATIONS:

It is recommended that the Board approve the following recommendations to:

1. approve the award of work up to \$18,000,000.00 (exclusive of taxes) for demand electrical maintenance services at the rates established

based on the outcome of Request for Proposal (RFP 22023) for a term of five years as follows:

- a. up to \$10,800,000.00 for the first three years of the contract; and
 - b. up to an additional \$7,200,000.00 for two additional one-year terms at TCHC management's discretion; and
2. approve the award of work to the following vendors based on the outcome of RFP 22023.
- a. ARC Electrical (2618064 Ontario Incorporated)
 - b. Igman Electric Ltd.
 - c. Oak Ridge Building Solutions Inc.
 - d. Pegasus Electric Company Ltd.; and
3. authorize the appropriate staff to take the necessary actions to give effect to the above recommendation.

BIFAC:

This report will be considered by the BIFAC on July 27, 2022.

PROJECT BACKGROUND:

Demand electrical maintenance services are unplanned electrical work that is required on an as-needed basis, often as small volume maintenance and repair work in one or more residential units or in common areas. Building components which may be assigned under this program include:

- Building electrical repairs – main distribution and sub service maintenance
- Lighting repairs interior/exterior
- Conduit repairs
- Multi-residential wiring repairs

These types of repairs are either outside of a typical building staff skill level and responsibilities or require compliance with applicable codes and regulations (i.e. Ontario Fire Code, Ontario Building Code, and Electrical Safety Authority).

REASONS FOR RECOMMENDATIONS:

The current program (RFP 18361) stipulated the start and completion dates of the initial three year term to be February 01, 2020 to January 31, 2023. However, with the addition of former private managed developments, OUW in 2021 and OUX & OUY in 2022, FM, Operations and Strategic Procurement agreed to terminate the current contract early and issue a new Demand Electrical Maintenance RFP for the entire TCHC portfolio to start in October 2022.

This program is to commence on October 1, 2022 to September 30, 2025 with the option of two one year extensions.

PROCUREMENT PROCESS:

An RFP was issued on February 8, 2022 and closed on March 11, 2022. A courtesy email notification of this opportunity was sent on February 9, 2022 to all potential proponents who have either worked with TCHC are shown interest to work with TCHC. Seven submissions were received. The submissions were evaluated through a five stage process to determine qualified vendors based on rated criteria and pricing.

The highest ranked proponent was offered their choice as primary vendor for one region and back-up vendor for a second region. The next highest ranked proponent was then offered their choice as primary vendor in one of the remaining regions and back-up vendor for a second region in one of the remaining regions.

The recommendation is to award the work to the following proponents as per their qualified submission:

Region	Operating Units	Primary Vendor	Back up Vendor
East	OUG, OUH, OUI	Oak Ridge Building Solutions Inc.	Pegasus Electric Company Ltd.
West	OUC, OUD, OUE, OUF	Pegasus Electric Company Ltd.	ARC Electrical (2618064 Ontario Incorporated)
Central	OIJ, OUK, OUL, OUM	Igman Electric Ltd.	Oak Ridge Building Solutions Inc.
Seniors	OUN, OUO, OUP, OUQ	ARC Electrical (2618064 Ontario Incorporated)	Igman Electric Ltd.

See **Confidential Attachment 1: VAC22362/RFP 22023 Summary of Submissions** for details on pricing and rated criteria.

IMPLICATIONS AND RISKS:

Entry into tenant units is required. Timely and appropriate notification will be provided to tenants to notify them of planned disruptions and restrictions.

FM-Construction and Preservation, Operations, and Seniors Housing staff shall be responsible in monitoring the allowance expenditure on a monthly basis to ensure the program is within the approved authority to spend. Any use of the allowance will be reviewed and reconciled by the Electrical Manager, and any balance remaining will be returned to the capital budget upon the completion of the contract.

Performance will be evaluated in accordance with TCHC's Vendor Compliance evaluation system. Results gathered through project reviews can be used to support decisions to remove underperforming vendors from TCHC's rosters and/or future bidding opportunities.

Funding for this award is within the program budget of 550-526100 (2022).

SIGNATURE:

"Allen Murray"

Allen Murray
Vice President, Facilities Management

STAFF CONTACT:

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ATTACHMENT:

Confidential **Summary of Submissions**

Attachment 1:

Reason for Confidential Attachment: Third party commercial information supplied in confidence and commercial information belonging to TCHC that has monetary value or potential monetary value and whose disclosure could reasonably be expected to be injurious to its financial interests.