



Exhibition Place

Item No. 10

December 23, 2010

ACTION REQUIRED

To: The Board of Governors of Exhibition Place

From: Dianne Young
Chief Executive Officer

Subject: **Electrical Materials Supply Agreement 2011 to 2013**

Summary:

This report recommends the Board enter into an agreement with Powertrade Electric Ltd. (Powertrade), commencing February 1, 2011 for the non-exclusive supply and delivery of various electrical materials to Exhibition Place.

The Exhibition Place Operations Department, Electrical Services Division, uses the services of one supplier to provide just in time delivery of various electrical materials to fulfill both service requirements and third party client needs

A Request for Quotation (RFQ) process was issued through the City of Toronto, Finance Department, Purchasing and Materials Management Division for the supply and delivery of various electrical materials to Exhibition Place and Powertrade was the low bidder.

Recommendation:

It is recommended that the Board approve an agreement with Powertrade for a period of one (1) year, with the option to extend for an additional two separate one year periods, on the terms and conditions outlined in this report and other such terms and conditions satisfactory to the Chief Executive Officer of the Board and the City Solicitor.

Financial Impact:

The projected annual expenditure for electrical materials is \$250,000 yearly, and is provided for in the 2011 Operating and Capital Budgets.

Decision History:

In November 2008 the Board entered into a two year agreement with Powertrade for the supply and delivery of various electrical materials, commencing February 1, 2009 and expiring January 31, 2011.

Issue Background:

The term of the existing contract with Powertrade for the provision of electrical equipment is set to expire January 31, 2011.

Comments:

On November 5, 2010, Exhibition Place through the services of City of Toronto issued a Request for Quotation to establish a new agreement for the provision of various electrical materials commencing February 1, 2011.

The RFQ listed 97 various types of common electrical materials used for both internal maintenance, repair and operational needs and for show services needs. The RFQ Price Schedule was structured in a manner that required bidders to submit firm unit prices based on projected annual quantities.

For comparison purposes, the unit prices quoted were applied to these requirements resulting in Total Lump Sum Prices. In addition, bidders were required to state their percentage increases for each optional year and percentage discounts offered from their current catalogue list prices for other electrical materials not included in the price schedule. The items with quantities listed in the price schedule represent 80% of the value of the resulting agreement.

The RFQ closed on November 29, 2010 with two quotations received. The Lump Sum prices were as follows:

Bidder	First Year Bid	Option Year Increases	Payment Terms	Discount from current catalogue list price for other electrical materials
Powertrade Electric Ltd.	\$129,603.88	0%	5% discount if pay within 20 days - net 30	25%
Province Electric Supply Ltd.	\$145,916.09	3%	1% discount if pay within 10 days - Net 30	20%

The Powertrade quotation is the overall lowest acceptable bid received in compliance with all requirements.

Staff report favourably on Power's past performance at Exhibition Place. References include the Toronto Transit Commission, Toronto District School Board and Toronto Hydro. The City of Toronto Fair Wage and Labour Trades Office confirms that Power is in compliance with the Fair Wage and Labour Trades requirements for this work. The resulting agreement is not an exclusive agreement and the Board retains the right to obtain competitive prices.

The substantial terms of the agreement will be as follows:

- (a) Term: One year commencing February 1, 2011 with the option to extend for an additional two one-year periods subject to satisfactory performance review and budget availability.
- (b) Pricing: Pricing be fixed during the term of the Agreement.
- (c) Assignment: The agreement shall not be assigned by Power without written consent of the Board.

- (d) Indemnity/Insurance: Power shall provide proof of insurance in a form and amount satisfactory to the Board and containing provisions including the Board and the City of Toronto as additional insured with a cross liability/severability of interest clause of standard wording.
- (e) Union Obligations: Power shall comply with all agreements in force between the Board and any union or association with respect to Exhibition Place.
- (f) Other Commercial Terms: The agreement shall include other standard commercial terms respecting termination and other matters in a form satisfactory to the City Solicitor and the CEO.

Contact

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Submitted by:

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