

REGIONAL MUNICIPALITY OF OTTAWA-CARLETON  
MUNICIPALITÉ RÉGIONALE D'OTTAWA-CARLETON

REPORT  
RAPPORT

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Our File/N/Réf.	<b>25 50-96-1010</b>
Your File/V/Réf.	
DATE	7 October 1996
TO/DEST.	Co-ordinator Corporate Services and Economic Development Committee
FROM/EXP.	Environment and Transportation Commissioner
SUBJECT/OBJET	<b>ELECTRICAL SUPPLIES CONTRACT NO. 0285-00-P1/96 CONTRACT AWARD</b>

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**DEPARTMENTAL RECOMMENDATION**

**That the Corporate Services and Economic Development Committee and Council approve the award of Contract No. 0285-00-P1/96 for Electrical Supplies of the Region's portion of the co-operative contract to NEDCO, Division of Westburne, Ottawa, at an estimated annual contract cost of \$253,703.**

**BACKGROUND**

Electrical components and supplies from various manufacturers are purchased through a single material supply house for a variety of applications; these range from the maintenance or installation of traffic signals and communications equipment to maintenance of the water and sewage treatment facilities. Contract pricing is based upon quoted discounts off of the trade price list identified in the National Price Monitor, which is published by "Trade Services Canada" as a standard market wide Electrical Pricing Index.

The committed period for these contracted standing offers will be from the date of award notification to 31 March 1998. Thereafter this contract may be extended by mutual agreement for two additional one (1) year periods. The contract is subject to satisfactory performance and continued adherence to the terms and conditions of the tender.

## DISCUSSION

The following agencies referred to as “participants” combined their electrical supply requirements under a co-operative Request For Proposal (R.F.P.), which was advertised by the Supply Division of the City of Ottawa.

The Regional Municipality of Ottawa-Carleton  
 The Corporation of the City of Ottawa  
 The University of Ottawa  
 Carleton University

The following list of firms responded to the request for proposal:

Guillevin International, Ottawa  
 Marchand Electric, Ottawa  
 Wesco, Ottawa  
 Nedco, Division of Westburne, Ottawa  
 Lumen Electric, Ottawa  
 Franklin Empire, Ottawa

The Supply Management Division carried out the following evaluation on behalf of the participants at the initial phase:

1. Summarized the mandatory deliverables list as set out in the R.F.P.
2. Summarized the additional information requested in the R.F.P.
3. Tabulated the “pricing tools” as requested in the R.F.P.

The “pricing tool” components are summarized as follows:

<b>BIDDERS</b>	<b>PRICING TOOL PART 1</b>	<b>PRICING TOOL PART 2</b>	<b>TOTAL</b>	<b>TERMS</b>
NEDCO, DIV. OF WESTBURNE Ottawa, Ontario	\$215,905.00	\$37,798.00	\$253,703.00	2% 30 days
GUILLEVIN INTERNATIONAL Ottawa, Ontario	\$235,748.00	\$36,498.00	\$272,246.00	2% 15 days
WESCO Ottawa, Ontario	\$302,985.00	\$38,900.00	\$341,885.00	2% 10 days
FRANKLIN EMPIRE Ottawa, Ontario	\$294,905.00	\$49,546.00	\$344,451.00	2% 30 days
LUMEN ELECTRIC Ottawa, Ontario	\$305,707.00	\$44,583.00	\$350,290.00	2% 10 days
MARCHAND ELECTRIC Ottawa, Ontario	\$330,256.00	\$44,517.00	\$374,773.00	2% 10 days

### Pricing Tools Notes

1. PART 1 of the “PRICING TOOL” was summarized by extending the discounts offered by the proponents against the estimated dollar expenditures for various categories of electrical supplies as provided by each participant. These estimates were mainly based upon observed usage from 1995. The Region’s portion of Part 1 is estimated at 80% of the contract’s total value.
2. PART 2 of the “PRICING TOOL” was summarized by applying an average of the discounts offered by the bidders for the balance of electrical product type categories not evaluated under PART 1.

As a result of this initial phase of the proposal evaluation, the Supply Management Division determined that only NEDCO, Division of Westbourne and Guillevin International, who ranked first and second respectively based upon the Pricing Tools analysis, should be considered for the second phase of the evaluation criteria.

The second phase of the evaluation process involves a site visit by participating agencies to view the warehouse and administrative facilities of the short listed suppliers.

The purpose of this review is to evaluate the following:

- size and scope of inventory
- capability to deliver
- billing and order protocol
- access to electronic pricing database
- contract management experience
- general firm experience

The participants rated the two suppliers as equal under this second stage review.

### CONCLUSION

1. Nedco submitted the lowest overall pricing proposal.
2. Nedco held the highest score on the R.F.P., evaluation.
3. Nedco is the current incumbent and has previously demonstrated the ability to administer a contract of this size with this content.
4. As well, Nedco has demonstrated the ability to administer several new elements of the contract management process such as usage/management reporting and the Region’s licensing fees for an on-line electronic database with Trade Services Canada.

EXPENDITURE JUSTIFICATION

Electrical Supplies are required throughout the year to sustain the daily operations of the Environmental and Transportation Department.

CONSULTATION

No public consultation was involved as these purchases do not directly affect changes in infrastructure or services to the general public.

FINANCIAL STATEMENT

Funds have been provided in the 1996-1997 Operating Budgets in the Inventory Account No.: 013-51014, for the purchase of these materials. Materials from stores are charged to various Corporate Capital and Operating accounts.

*Approved by  
M.J.E. Sheflin, P.Eng.*

WSB/pnb

SUPPLY MANAGEMENT DIVISION

*Approved by G. Elliot  
on behalf of the Manager,  
Supply Management Division*

FINANCE DEPARTMENT COMMENT

When materials are purchased they are put into inventory and their cost is recorded in account 013-51014. As materials are used the inventory account is reduced and the cost of the materials are charged to the applicable operating or capital account.

*Approved by T. Fedec  
on behalf of the Finance Commissioner*