



## BID AWARD PANEL CONTRACT AWARD

### **Award of Request for Quotation No. 6031-18-7129 to Lans Construction & Contracting Ltd. for the Non- Exclusive Provision of All of the Required Components for the Complete Repair and Maintenance of City of Toronto's Owned Small Equipment**

**Date:** October 10, 2018  
**To:** Bid Award Panel  
**From:** Chief Purchasing Officer  
**Wards:** All

#### **RECOMMENDATIONS**

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**The Chief Purchasing Officer recommends that the Bid Award Panel grant authority to award the following contract:**

**Call Number:**  
Request for Quotation No. 6031-18-7129

**Description:**  
The Non-Exclusive Provision of the Pickup and Delivery, Labour, Materials, Supplies, Freight, Supervision and all other Associated Tools and Equipment Necessary for the Complete Repair and Maintenance of City of Toronto's Owned Small Equipment

Should the option(s) to renew be exercised, then the General Manager, Toronto Water Division will request the Chief Purchasing Officer of Purchasing and Materials Management to process the necessary contract renewals under the same terms and conditions.

**Recommended Bidder:**  
Lans Construction & Contracting Ltd.

**Contract Award Value:**  
From Date of Award to December 31, 2018  
\$202,800 net of all applicable taxes and charges  
\$229,164 including all applicable taxes and charges  
**\$206,370 net of HST recoveries**

Option Year 1 – Jan 1, 2019 to December 31, 2019

Award of RFQ No. 6031-18-7129

\$208,884 net of all applicable taxes and charges  
\$236,039 including all applicable taxes and charges  
**\$212,561 net of HST recoveries**

Option Year 2 – Jan 1, 2020 to December 31, 2020  
\$215,151 net of all applicable taxes and charges  
\$243,121 including all applicable taxes and charges  
**\$218,938 net of HST recoveries**

Option Year 3 – Jan 1, 2021 to December 31, 2021  
\$221,606 net of all applicable taxes and charges  
\$250,415 including all applicable taxes and charges  
**\$225,506 net of HST recoveries**

Option Year 4 – Jan 1, 2022 to December 31, 2022  
\$228,254 net of all applicable taxes and charges  
\$257,927 including all applicable taxes and charges  
**\$232,271 net of HST recoveries**

**The total potential cost including the option years is \$1,095,643 net of HST recoveries.** The total potential award, including the option years is \$1,216,663 including all applicable taxes and charges and \$1,076,693 for net of all applicable taxes and charges.

**Contract is expected to start on date of award and end on December 31, 2018 with the option to renew the Contract for four (4) additional and separate one (1) year periods.**

The above cost calculations for the Optional Year(s) reflects an estimated 3% increase in the Consumer Price Index - All Items.

## **FINANCIAL IMPACT**

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The total potential award identified in this report for including the option years is \$1,076,693 net of all applicable taxes and charges, \$1,216,663 including all applicable taxes and charges. The cost to the City is \$1,095,643 net of HST recoveries.

Funding for 2018 in the amount of \$202,800 net of HST recoveries is available in the Approved 2018 Operating Budget for Toronto Water.

Should the City choose to exercise its option to renew the contract for four (4) additional and separate one (1) year periods, then appropriate funding, if needed, will be included in the 2019-2023 Operating Budget Submissions for Toronto Water. Funding details follow in Table 1.

Table 1: Financial Impact Summary of Recommended Contract:

Cost Centre	Cost Element	Date of Award to December 31, 2018	Option Year 1 – January 1, 2019 to December 31, 2019	Option Year 2 – January 1, 2020 to December 31, 2020	Option Year 3 – January 1, 2021 to December 31, 2021	Option Year 4 – January 1, 2022 to December 31, 2022	Total (net of HST Recoveries)
TW2025 TW2030 TW2035 TW2040 TW2055 TW2060 TW4075	4424	\$206,369	\$212,560	\$218,937	\$225,505	\$232,270	\$1,095,642
<b>Total (net of HST Recoveries)</b>		\$206,369	\$212,560	\$218,937	\$225,505	\$232,270	\$1,095,642

## CALL SUMMARY

**Call Issued:** May 30, 2018

**Call Closed:** June 29, 2018

**Number of Addenda Issued:** None

**Number of Bids:** Three (3)

Table 2: Summary of Bids Received for RFQ No. 6031-18-7129 including bid price

Bidder Name	Bid Price (including H.S.T.)
Lans Construction & Contracting Ltd	\$229,164.00
United Rentals of Canada Inc.	\$257,075.00
Green Tractors	\$265,114.95

## DIVISION CONTACTS

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## **COMMENTS**

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For the recommended contract award, the following requirements have been met:

a. The firm recommended for award is the lowest bidder meeting specifications based on the evaluation criteria included in the call and meeting the requirements of the call;

b. the appropriate Division has reviewed submissions and found the price to be reasonable, within available budget and concurs with the recommendation;

c. the total contract value is less than \$20 million dollars (excluding applicable taxes) and the contract term is:

1. for a contract funded by the operating budget, 5 years or less including any option years; or

2. for a contract funded by the capital budget, within the projected term of the capital funding for the project as set out in the capital budget,

being within the authority of the Bid Award Panel;

d. there are no material written objections to the award;

e. the call document was advertised on the City's internet website and bids or proposals were opened publicly; and

f. the Fair Wage Office confirms the recommended firm understands the Fair Wage Policy and Labour Trades requirements and has agreed to comply fully.

Additional details and information for the above calls are on the file in the Purchasing and Materials Management Division.

## **SIGNATURE**

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Michael Pacholok  
Chief Purchasing Officer