



BID AWARD PANEL CONTRACT AWARD

Award of Vendor of Record (VOR) Arrangement #OSS-00634452 to PK Welding & Fabricators Inc. and Weldexperts Inc for Category 1B Specialty Vehicle Acquisitions.

Date: May 9, 2019
To: Bid Award Panel
From: Chief Purchasing Officer
Wards: All

RECOMMENDATIONS

The Chief Purchasing Officer, recommends that the Bid Award Panel grant authority to award the following contract as per the Toronto Municipal Code, Chapter 195-6.6. Procurement of same goods and services as a public body.

Call Number:
VOR #OSS-00634452

Description:

The Vendor of Record (VOR) Arrangement #OSS-00634452 for Category 1B – Specialty Vehicle Acquisitions Between the Ministry of Government, Consumer Services and PK Welding & Fabricators Inc. and the Ministry of Government, Consumer Services and Weldexperts Inc. to support the vehicle requirements for all ministries and approved agencies of the Government of Ontario. The term of this VOR arrangement is for Four (4) years with the option to extend the VOR arrangement for One (1) additional one-year term under the same terms and conditions. The effective date of the Contract is from the Date of Award to July 1, 2022.

Recommended Bidder:
PK Welding & Fabricators Inc.

Contract Award Value (2019-2022)
\$1,605,000 net of all applicable taxes and charges
\$1,813,650 including all applicable taxes and charges
\$1,633,248 net of HST recoveries

Optional Period (2023)

\$370,000 net of all applicable taxes and charges

\$418,100 including all applicable taxes and charges

\$376,512 net of HST recoveries

The total potential contract award identified in this report for the full term including one optional term is \$1,975,000 net of all applicable taxes and charges, and \$2,231,750 including all applicable taxes and charges. **The total potential cost to the City including optional purchases is \$2,009,760 net of HST recoveries.**

Recommended Bidder:

Weldexperts Inc.

Contract Award Value (2019-2022)

\$1,605,000 net of all applicable taxes and charges

\$1,813,650 including all applicable taxes and charges

\$1,633,248 net of HST recoveries

Optional Period (2023)

\$370,000 net of all applicable taxes and charges

\$418,100 including all applicable taxes and charges

\$376,512 net of HST recoveries

The total potential cost to the City for the full term including one optional term is \$1,975,000 net of all applicable taxes and charges and \$2,231,750 including all applicable taxes and charges. **The total potential cost to the City including optional purchases is \$2,009,760 net of HST recoveries.**

Contract is expected to start on date of award and end on July 1, 2022. The contract may be extended at the discretion of the Ministry to July 1, 2023.

The total potential contract award identified in this report for both awards including the optional periods is \$3,950,000 net of all applicable taxes and charges, and \$4,463,500 including all applicable taxes and charges. **The total potential cost to the City for both awards including the optional period is \$4,019,520 net of HST recoveries.**

FINANCIAL IMPACT

The total potential contract award identified in this report for both awards including the optional periods is \$3,950,000 net of all applicable taxes and charges, and \$4,463,500 including all applicable taxes and charges. The total

potential cost to the City for both awards including the optional period is \$4,019,520 net of HST recoveries.
Funding is available in the 2019 Approved Capital Budget and 2020–2028 Approved Capital Plan for Fleet Services. Funding details follow in Table 1.

Table 1: Financial Impact Summary of Recommended Contract

Account	Description	2019 (net of HST recoveries)	2020 (net of HST recoveries)	2021 (net of HST recoveries)	2022 (net of HST recoveries)	Optional 2023 (net of HST recoveries)
CFL049	Toronto Community Housing Corporation	\$50,880	\$20,352	\$20,352	\$81,408	\$61,056
CFL038	Toronto Water	\$152,640	\$162,816	\$101,760	\$162,816	\$162,816
CFL010	Transportation Services	\$30,528	0	0	0	0
CFL005	Parks Forestry & Recreation	\$30,528	0	\$30,528	0	\$20,352
CFL008	Solid Waste Management	\$30,528	0	\$10,176	0	0
CFL036	Facilities Management	\$30,528	\$40,704	\$81,408	\$40,704	0
CFL003	Toronto Public Library	\$407,040	\$305,280	\$305,280	\$203,520	\$305,280
CFL009	Engineering & Construction	\$203,520	\$203,520	\$203,520	\$101,760	\$203,520
CFL007	Municipal Licensing	\$30,528	\$61,056	\$162,816	0	0
Total Price		\$966,720	\$793,728	\$915,840	\$386,892	\$753,024
Grand total (net of HST Recoveries)						\$4,019,520

CALL SUMMARY

Call Issued: January 27, 2017 **Call Closed:** March 17, 2017
Number of Addenda Issued: Not Applicable
Number of Bids: Two (2)

DIVISION CONTACTS

Elena Caruso, Manager, Purchasing Goods & Services, 416-392-7316,
Elena.Caruso@toronto.ca

Vukadin Lalovic, Manager, Asset Management, Fleet Services, 416-392-6365,
Vukadin.Lalovic@toronto.ca

COMMENTS

The City of Toronto is utilizing the Ministry of Government, Consumer Services Contract for the recommended award, as per the Toronto Municipal Code, Chapter 195-6.6. Procurement of same goods and services as a public body, the following requirements have been met

- a. The firm recommended for award is the highest scoring Proponent based on the evaluation criteria included in the Call and meeting the requirements of the Call;
- b. The resulting contract between the public body and the supplier stipulates that the same goods and/or services be made available to other public bodies which include the City at the same price as provided by the supplier to the initiating public body;
- c. The same goods and/or services will be made available to the City for the same or better price than the price that is to be paid by the public body;
- d. the appropriate Division has reviewed the Ministry of Government, Consumer Services 's submission and found the price to be reasonable, within available budget and concurs with the recommendation;
- e. The supplier is not ineligible, suspended or otherwise in contravention of Chapters 71 - Financial Control and 195 - Purchasing of the City of Toronto Municipal Code.
- f. 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, five (5) years or less including any option terms.
- g. being within the authority of the Bid Award Panel;
- h. there are no material written objections to the award;

i. the Call Document was advertised on the Ministry of Government, Consumer Services 's internet website as part of the Competitive Call process; and

j. 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 Call is on the file in the Purchasing & Materials Management Division.

SIGNATURE

Mike Pacholok
Chief Purchasing Officer