



BID AWARD PANEL CONTRACT AWARD

Award of Ariba Document No. 2219331817 to Green Tractors Inc. for the provision of warranty and non-warranty maintenance and repairs to various Agricultural Tractors for Fleet Services.

Date: January 7, 2021
To: Bid Award Panel
From: Chief Procurement Officer
Wards: All

RECOMMENDATIONS

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

Solicitation Number:

Request for Quotation (RFQ), Ariba Doc No. 2219331817

Description:

For the non-exclusive supply of labour, materials, parts and equipment necessary to provide warranty and non-warranty maintenance and repair to various Agricultural Tractors for the City of Toronto's Fleet Services Division and Parks, Forestry and Recreation Division on an as and when required basis for one (1) year from the date of Award, with the option to renew the contracts for four (4) additional separate one (1) year periods.

The RFQ structure to award up to (3) separate contract(s) to the lowest Suppliers based on the Supplier meeting specifications in Table 1, and or Table 2 and or Table 3. The recommended Supplier is being recommended for the award of RFQ Table 1 and Table 2. No compliant bid was received for RFQ Table 3.

Should the option(s) be exercised, then the General Manager Fleet Services will request the Chief Procurement Officer to process the renewals under the same terms and conditions.

Recommended Supplier:

Green Tractors Inc.

Contract Award Value:

\$593,632 net of all applicable taxes and charges (incl 10% for service allowance)
\$670,804 including HST and all applicable charges

\$604,080 net of HST recoveries

The contracts are expected to start on date of award and end on November 30, 2021

Option Year 1 from December 1, 2021 to November 30, 2022:

\$611,441 net of all applicable taxes and charges

\$690,928 including HST and all applicable charges

\$622,202 net of HST recoveries

Option Year 2 from December 1, 2022 to November 30, 2023:

\$629,784 net of all applicable taxes and charges

\$711,656 including HST and all applicable charges

\$640,868 net of HST recoveries

Option Year 3 from December 1, 2023 to November 30, 2024:

\$648,678 net of all applicable taxes and charges

\$733,006 including HST and all applicable charges

\$660,094 net of HST recoveries

Option Year 4 from December 1, 2024 to November 30, 2025:

\$668,138 net of all applicable taxes and charges

\$754,996 including HST and all applicable charges

\$679,897 net of HST recoveries

The total potential contract award identified in this report including all optional years is \$3,151,673 net of all taxes and \$3,561,390 including all applicable taxes and charges. The total potential cost to the City, including all option years, is 3,207,142 net of HST recoveries.

The above cost calculations include a ten (10) percent contingency to fulfill service requirements for new tractor acquisitions over the next five (5) years, and a three (3) percent CPI adjustment applied annually to the yearly cost after the initial one (1) year period and not reflected in the evaluated bid price noted in Table 2.

FINANCIAL IMPACT

The total contract award identified in this report is \$3,561,390 including all applicable taxes and charges. The cost to the City is \$3,207,142 net of HST recoveries.

Funding for the amount of \$512,824 net of HST recoveries has been included in the 2021 Operating Budget for Fleet Services Division. Funding for the amount of \$91,256 net of HST recoveries has been included in the 2021 Operating Budget for Parks, Forestry and Recreation. The cash flow funding requirement for this service is summarized in Table 1.

Should the City choose to exercise its option to renew for an additional four (4) separate one (1) year periods, then appropriate additional funding, if needed, will be included in

the 2022 – 2025 annual Operating Budget Submissions for each participating division. Funding details are provided in Table 1 below.

Table 1: Financial Impact Summary, net of HST Recoveries

WBS Element / Group Cost Centre	Initial Year	Option Year 1	Option Year 2	Option Year 3	Option Year 4	Total Contract Term (net of HST Recoveries)
	January 1, 2021 to November 30, 2021	December 1, 2021 to November 30, 2022	December 1, 2022 to November 30, 2023	December 1, 2023 to November 30, 2024	December 1, 2024 to November 30, 2025	
2181, 4404 & 4423/ FL100	\$512,824	\$528,208	\$544,055	\$560,376	\$577,187	\$2,722,650
2120/ CC – PR-PKS	\$91,256	\$93,993	\$96,813	\$99,718	\$102,709	\$484,490
Total	\$604,080	\$622,202	\$640,868	\$660,094	\$679,897	\$3,207,142

SOLICITATION SUMMARY

Solicitation Issued: September 24, 2020

Solicitation Closed: October 14, 2020

Number of Addenda Issued: 0

Number of Bids: 1

Table 2: Summary of Bids Received for RFQ, Ariba Doc. No. Doc2219331817 including bid price:

Supplier Name	Bid Price for all tables* (including H.S.T. and excluding a 10% Service Allowance)
Green Tractors Inc.	\$851,930

*Evaluated Bid Price contains the Ariba pricing for all three Tables in the RFQ. The Contract Award value is only for the two Tables (1 and 2) that were awarded.

DIVISION CONTACTS

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COMMENTS

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

a. The firm recommended for award is the lowest Supplier meeting specifications or to the highest scoring Supplier based on the evaluation criteria included in the Solicitation and meeting the requirements of the solicitation;

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 Solicitation 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 Solicitations are on the file in the Purchasing and Materials Management Division.

SIGNATURE

Michael Pacholok,
Chief Procurement Officer