



BID AWARD PANEL CONTRACT AWARD

Award of Ariba Document No. 2969200372 to Chiefs Heavy Truck Collision Inc., and Dependable Truck and Tank for Heavy Truck Frame Member Replacement for Automotive Firefighting Apparatus for Toronto Fire Services.

Date: June 10, 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. 2969200372

Description:

For the non-exclusive supply of all labour, materials, equipment, and supplies necessary to provide heavy truck frame member replacement for automotive firefighting apparatus, for the period starting on July 1, 2021 to June 30, 2022, with the option to renew the contracts for four (4) additional separate one (1) year periods.

The RFQ is structured to award two (2) separate contracts to the two (2) lowest suppliers meeting specification, known as the Primary Vendor to receive 60% of the work and the Secondary Vendor to receive 40% of the work based on the services and components stated in the Price Form.

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

Recommended Supplier:

Chiefs Heavy Truck Collision Inc. (Primary Vendor)

Contract Award Value:

\$860,098 net of all applicable taxes and charges
\$971,911 including HST and all applicable charges

\$875,236 net of HST recoveries

The contract is expected to start on July 1, 2021, and end on June 30, 2022.

Option Year One from July 1, 2022, to June 30, 2023
\$885,901 net of all applicable taxes and charges
\$1,001,068 including all applicable taxes and charges
\$901,493 net of HST recoveries

Option Year Two from July 1, 2023, to June 30, 2024
\$912,478 net of all applicable taxes and charges
\$1,031,100 including all applicable taxes and charges
\$928,538 net of HST recoveries

Option Year Three from July 1, 2024 to June 30, 2025
\$939,852 net of all applicable taxes and charges
\$1,062,033 including all applicable taxes and charges
\$956,394 net of HST recoveries

Option Year Four from July 1, 2025 to June 30, 2026
\$968,048 net of all applicable taxes and charges
\$1,093,894 including all applicable taxes and charges
\$985,086 net of HST recoveries

Total Potential Award, including Optional Periods (Chiefs Heavy Truck Collision Inc.)

\$4,566,377 net of all applicable taxes and charges
\$5,160,006 including HST and all applicable charges
\$4,646,745 net of HST recoveries

Recommended Supplier:

Dependable Truck and Tank Limited (Secondary Vendor)

Contract Award Value:

\$829,680 net of all applicable taxes and charges
\$937,538 including HST and all applicable charges
\$844,282 net of HST recoveries

The contract is expected to start on July 1, 2021, and end on June 30, 2022.

Option Year One from July 1, 2022, to June 30, 2023
\$854,570 net of all applicable taxes and charges
\$965,665 including all applicable taxes and charges
\$869,611 net of HST recoveries

Option Year Two from July 1, 2023, to June 30, 2024
\$880,208 net of all applicable taxes and charges
\$994,634 including all applicable taxes and charges

\$895,699 net of HST recoveries

Option Year Three from July 1, 2024 to June 30, 2025

\$906,614 net of all applicable taxes and charges

\$1,024,474 including all applicable taxes and charges

\$922,570 net of HST recoveries

Option Year Four from July 1, 2025 to June 30, 2026

\$933,812 net of all applicable taxes and charges

\$1,055,208 including all applicable taxes and charges

\$950,247 net of HST recoveries

Total Potential Award including Optional Periods (Dependable Truck and Tank Limited):

\$4,404,884 net of all applicable taxes and charges

\$4,977,519 including HST and all applicable charges

\$4,482,410 net of HST recoveries

The total potential contract award identified in this report for both contract awards, including all options years is \$8,971,261 net of all taxes and \$10,137,525 including all applicable taxes and charges. **The total Potential cost to the City for both contract awards, including all option years, is \$9,129,155 net of HST recoveries.**

The above cost calculations reflect an estimated 3% in Consumer Price Index (CPI) adjustment applied annually to the yearly cost after the initial year.

FINANCIAL IMPACT

The total potential contract award identified in this report is \$10,137,525 including all applicable taxes and charges. The total potential cost to the City is \$9,129,155 net of HST recoveries.

Funding in the amount of \$866,865 net of HST recoveries is included in the 2021 Approved Operating Budget for Fire Services Division. Funding in the amount of \$852,653 net of HST recoveries for the balance of the contract period to June 30, 2022, will be included in the 2022 Operating Budget Submission for Fire Services Division.

Should the City choose to exercise its option to renew for the additional four (4) separate one (1) year periods, then appropriate additional funding, if needed, will be included in the 2023 – 2026 annual Operating Budget Submissions for Fire Services Division. Funding details are provided in Table 1 below.

Table 1: Financial Impact Summary, net of HST Recoveries

Chiefs Heavy Truck Collision Inc.

Cost Centre / Cost Element	Initial Year	Initial Year	Option Year One	Option Year Two	Option Year Three	Option Year Four
	July 1, 2021 to December 31, 2021	January 1, 2022 to June 30, 2022	July 1, 2022 to June 30, 2023	July 1, 2023 to June 30, 2024	July 1, 2024 to June 30, 2025	July 1, 2025 to June 30, 2026
FR0025 / 4424 & 2120	\$441,235	\$434,001	\$901,493	\$928,538	\$956,394	\$985,086
Total Contract Term (net of HST Recoveries)					\$4,646,745	

Table 2: Financial Impact Summary, net of HST Recoveries

Dependable Truck and Tank Ltd.

Cost Centre / Cost Element	Initial Year	Initial Year	Option Year One	Option Year Two	Option Year Three	Option Year Four
	July 1, 2021 to December 31, 2021	January 1, 2022 to June 30, 2022	July 1, 2022 to June 30, 2023	July 1, 2023 to June 30, 2024	July 1, 2024 to June 30, 2025	July 1, 2025 to June 30, 2026
FR0025 / 4424 & 2120	\$425,630	\$418,652	\$869,611	\$895,699	\$922,570	\$950,247
Total Contract Term (net of HST Recoveries)					\$4,482,410	

The Chief Financial Officer and Treasurer has reviewed this report and agrees with information included in the Financial Impact section.

SOLICITATION SUMMARY

Solicitation Issued: May 5, 2021
Number of Addenda Issued: 2
Number of Bids: 2

Solicitation Closed: May 28, 2021

Table 2: Summary of Bids Received for RFQ, Ariba Doc. No. 2969200372 including bid price:

Supplier Name	Evaluated Bid Price* (including H.S.T.)
Chiefs Heavy Truck Collision Inc.	\$1,619,851
Dependable Truck & Tank Ltd	\$2,343,846

*Evaluated Bid Price totals include the value of 100% of the supplier's submitted pricing. The contract award value represents the 60%/40% split of work between suppliers, resulting in a correlating split of cost.

DIVISION CONTACTS

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Kevin Hamilton, Division Chief, Fire Services Division, Tel: 416-338-7198, Email: Kevin.Hamilton@toronto.ca

COMMENTS

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

a. The firm recommended for the 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 the 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