



BID AWARD PANEL CONTRACT AWARD

Award of Ariba Doc. No. 2720261805 to JP Towing Service & Storage Ltd. for the supply, delivery, and removal of vehicles for Toronto Fire Services' Auto Extrication Program.

Date: July 28, 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:
Ariba Doc. No. 2720261805

Description:
Ariba Doc. No. 2720261805 for the supply, delivery, and removal of vehicles for Toronto Fire Services' Auto Extrication Program, for a period of one (1) year from the date of award, with an option in favour of the City to extend the agreement on the same terms and conditions for an additional term of up to four (4) additional separate one (1) year periods.

The RFQ was structured to award up to two (2) separate contract(s) to the two (2) lowest suppliers meeting specifications, known as the Primary Vendor and Secondary Vendor for each Table. Out of the two bids received the bid received from HDL was deemed non-compliant for not meeting the mandatory requirements and therefore, Table 1 - Small/Medium Vehicles, JP Towing Service & Storage Ltd. was awarded 100% of the work and for Table 2 - Large Commercial Vehicles will not be awarded due to the bid price offered by JP Towing Service & Storage is significantly unbalanced and Table 2 will be re-issued.

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:
JP Towing Service & Storage Ltd. (Primary Vendor)

Contract Award Value:

\$142,500 net of all applicable taxes and charges

\$161,025 including HST and all applicable charges

\$145,008 net of HST recoveries

Contract is expected to start on September 1, 2021 and end on August 31, 2022

Option Year 1 (September 1, 2022 to August 31, 2023)

\$146,775 net of all applicable taxes and charges

\$165,856 including all applicable taxes and charges

\$149,358 net of HST recoveries

Option Year 2 (September 1, 2023 to August 31, 2024)

\$151,178 net of all applicable taxes and charges

\$170,831 including all applicable taxes and charges

\$153,839 net of HST recoveries

Option Year 3 (September 1, 2024 to August 31, 2025)

\$155,714 net of all applicable taxes and charges

\$175,956 including all applicable taxes and charges

\$158,454 net of HST recoveries

Option Year 4 (September 1, 2025 to August 31, 2026)

\$160,385 net of all applicable taxes and charges

\$181,235 including all applicable taxes and charges

\$163,208 net of HST recoveries

The total potential contract award identified in this report is \$854,904 including all applicable taxes and charges and \$756,552 net of all applicable taxes and charges. **The total potential cost to the City including all option years is \$769,867 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 one (1) year period.

FINANCIAL IMPACT

The total contract award identified in this report is \$854,904 including all applicable taxes and charges. The cost to the City is \$769,867 net of HST recoveries.

Funding in the amount of \$48,336 net of HST recoveries have been included in the 2021 Operating Budget for Toronto Fire Services. Additional funding will be requested in the 2022 Operating Budget Submission.

Should the City choose to exercise the option years for an additional four (4) separate one (1) year periods, then appropriate funding will be requested for consideration in the 2022-2026 Operating Budget Submission for Toronto Fire Services. The cash flow funding requirement for this service is summarized in Table 1.

Table 1: Financial Impact Summary of Recommended Contract, net of HST Recoveries

Cost Centre/ Cost Element	Initial Term	Initial Term	Optional Year One	Optional Year Two	Optional Year Three	Optional Year Four
	Sep 1, 2021 - Dec 31, 2021	Jan 1, 2022 - Aug 31, 2022	Sep 1, 2022 - Aug 31, 2023	Sep 1, 2023 - Aug 31, 2024	Sep 1, 2024 - Aug 31, 2025	Sep 1, 2025 - Aug 31, 2026
FR0027 / 4424	\$48,336	\$96,672	\$149,358	\$153,839	\$158,454	\$163,208
Total Contract Term (net of HST Recoveries)				\$769,867		

SOLICITATION SUMMARY

Solicitation Issued: February 4, 2021

Solicitation Closed: March 12, 2021

Number of Addenda Issued: One [1]

Number of Bids: Two [2]

Table 2: Summary of Bids Received for Ariba Doc. No. 2720261805 including Bid Price

Supplier Name	Bid Price (including H.S.T.)	
	Table 1	Table 2^
JP Towing Service & Storage Ltd	\$161,025	\$254,250
HDL*	\$135,600	\$13,560

* Supplier was found non-compliant with mandatory requirements

^ Table 2 is not being 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