



BID AWARD PANEL CONTRACT AWARD

Award of Ariba Document Number 3308219013 to Hardick Spring for the Exhaust Systems Repairs for Fleet Services

Date: February 17, 2022
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, Ariba Document Number 3308219013

Description:

For the non-exclusive supply and delivery of labour, materials, tools, equipment, travel time, mileage, fuel, and incidentals necessary to perform inspections, cleaning, testing, repairs, and provide parts and services, as and when required, for exhaust systems repairs for the emissions control systems on gasoline and hybrid units, and exhaust systems repairs and diesel particulate filter & diesel oxidation catalyst cleaning services on diesel and natural gas units for the City of Toronto's Fleet Services Division for a period of one (1) year from March 1, 2022 to February 28, 2023, with the option to renew the contract for an additional four (4) separate one (1) year periods.

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

Recommended Supplier:

Hardick Spring

Contract Award Value:

\$377,817 net of all applicable taxes and charges
\$426,933 including HST and all applicable charges
\$384,466 net of HST recoveries

Contract is expected to start on March 1, 2022 and end on February 28, 2023.

A 10% cost allowance is included in the Contract Award Value for each year.

Option Year 1 - From March 1, 2023 to February 29, 2024
\$389,151 net of all applicable taxes and charges
\$439,741 including all applicable taxes and charges
\$396,000 net of HST recoveries

Option Year 2 – From March 1, 2024 to February 28, 2025
\$400,826 net of all applicable taxes and charges
\$452,933 including all applicable taxes and charges
\$407,880 net of HST recoveries

Option Year 3 – From March 1, 2025 to February 28, 2026
\$412,850 net of all applicable taxes and charges
\$466,521 including all applicable taxes and charges
\$420,117 net of HST recoveries

Option Year 4 – From March 1, 2026 to February 28, 2027
\$425,236 net of all applicable taxes and charges
\$480,517 including all applicable taxes and charges
\$432,720 net of HST recoveries

A 3% CPI cost increase is included for each option year.

The total potential contract award identified in this report is \$2,266,644 including all applicable taxes and charges and \$2,005,880 net of all applicable taxes and charges.
The total potential cost to the City including all option years is \$2,041,183 net of HST recoveries.

FINANCIAL IMPACT

The total potential contract award identified in this report is \$2,266,644 including all applicable taxes and charges. The total potential cost to the City is \$2,041,183 net of HST recoveries.

Funding in the amount of \$320,389 net of HST recoveries is included in the 2022 Approved Operating Budget for Fleet Services Division. Funding in the amount of \$64,078 net of HST recoveries for the balance of the contract period to February 28, 2023 will be included in the 2023 Operating Budget submission for Fleet Services Division.

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 2023-2027 annual Operating Budget Submissions for Fleet Services Division. Funding details are summarized in Table 1 as follows:

Table 1: Financial Impact Summary of Recommended Contract (net of HST recoveries)

Fleet Services Division Fleet Services Operational Budget: FL100 Cost Element: 2181 and 4404	Total (Incl HST Recoveries)
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Initial Year Period From March 1, 2022 to December 31, 2022	\$320,389
Initial Year Period From January 1, 2023 to February 28, 2023	\$64,078
Option Year 1 From March 1, 2023 to December 31, 2023	\$330,000
Option Year 1 From January 1, 2024 to February 29, 2024	\$66,000
Option Year 2 From March 1, 2024 to December 31, 2024	\$339,900
Option Year 2 From January 1, 2025 to February 28, 2025	\$67,980
Option Year 3 From March 1, 2025 to December 31, 2025	\$350,097
Option Year 3 From January 1, 2026 to February 28, 2026	\$70,019
Option Year 4 From March 1, 2026 to December 31, 2026	\$360,600
Option Year 4 From January 1, 2027 to February 28, 2027	\$72,120
Total Cost from March 1, 2022 to February 28, 2027	\$2,041,183

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

SOLICITATION SUMMARY

Solicitation Issued: January 7, 2022 **Solicitation Closed:** January 27, 2022

Number of Addenda Issued: 0

Number of Bids: 3

Table 2: Summary of Bids Received including bid price:

Supplier Name	Total (excluding HST)
Hardick Spring	\$343,470
Extreme Garage	\$345,061
BDS Fleet Services	\$398,121

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

e. 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