



BID AWARD PANEL CONTRACT AWARD

Award of Ariba Document Number 3189585210 to Total Suspensions Inc. and Hardick Spring for the Chassis Springs and Suspension Component Maintenance and Repair Services to Various City Divisions.

Date: April 28, 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 Quotations, Ariba Document Number 3189585210

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 chassis springs and suspension components for City of Toronto's Fleet Services Division, Toronto Fire Services, and Toronto Paramedic Services, for a period of one (1) year from June 20, 2022 to June 19, 2023, with an option in favour of the City to extend the contract on the same terms and conditions for an additional term of up to four (4) separate one (1) year periods.

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

Total Suspensions Inc. is being awarded a contract with Fleet Service and Toronto Paramedic Services, as well as the primary supplier with Toronto Fire Services. Hardick Spring is being awarded a contract as the secondary supplier with Toronto Fire Services.

Recommended Supplier:

Total Suspensions Inc.:

Award of Ariba Document Number 3189585210

Contract Award Value:

\$887,251 net of all applicable taxes and charges
\$1,002,594 including HST and all applicable charges
\$902,867 net of HST recoveries

Contract is expected to start on June 20, 2022 and end on June 19, 2023.

Option Year 1 - From June 20, 2023 to June 19, 2024
\$913,868 net of all applicable taxes and charges
\$1,032,671 including all applicable taxes and charges
\$929,952 net of HST recoveries

Option Year 2 – From June 20, 2024 to June 19, 2025
\$941,284 net of all applicable taxes and charges
\$1,063,651 including all applicable taxes and charges
\$957,851 net of HST recoveries

Option Year 3 – From June 20, 2025 to June 19, 2026
\$969,523 net of all applicable taxes and charges
\$1,095,561 including all applicable taxes and charges
\$986,586 net of HST recoveries

Option Year 4 – From June 20, 2026 to June 19, 2027
\$998,608 net of all applicable taxes and charges
\$1,128,428 including all applicable taxes and charges
\$1,016,184 net of HST recoveries

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

The total potential contract award identified in this report including all option years is \$5,322,904 including all applicable taxes and charges and \$4,710,535 net of all applicable taxes and charges. **The total potential cost to the City including all option years is \$4,793,440 net of HST recoveries**

Hardick Spring:

\$146,186 net of all applicable taxes and charges
\$165,190 including HST and all applicable charges
\$148,759 net of HST recoveries

Contract is expected to start on June 20, 2022 and end on June 19, 2023.

Option Year 1 - From June 20, 2023 to June 19, 2024
\$150,572 net of all applicable taxes and charges
\$170,146 including all applicable taxes and charges
\$153,222 net of HST recoveries

Option Year 2 – From June 20, 2024 to June 19, 2025
\$155,089 net of all applicable taxes and charges
\$175,250 including all applicable taxes and charges
\$157,818 net of HST recoveries

Option Year 3 – From June 20, 2025 to June 19, 2026
\$159,741 net of all applicable taxes and charges
\$180,508 including all applicable taxes and charges
\$162,553 net of HST recoveries

Option Year 4 – From June 20, 2026 to June 19, 2027
\$164,534 net of all applicable taxes and charges
\$185,923 including all applicable taxes and charges
\$167,429 net of HST recoveries

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

The total potential contract award identified in this report including all option years is \$877,017 including all applicable taxes and charges and \$776,121 net of all applicable taxes and charges. **The total potential cost to the City including all option years is \$789,781 net of HST recoveries,**

The total potential sum of all contract awards identified in this report including all option years is \$6,199,921 including all applicable taxes and charges and \$5,486, 656 net of all applicable taxes and charges. **The total potential cost to the City for all contract awards including all option years is \$5,583,221 net of HST recoveries**

FINANCIAL IMPACT

The total potential contract award identified in this report is \$6,199,921 including all applicable taxes and charges. The total potential cost to the City is \$5,583,221 net of HST recoveries.

Funding in the amount of \$323,378 net of HST recoveries is included in the 2022 approved Operating Budget for Fleet Services Division. Funding in the amount of \$323,378 net of HST recoveries for the balance of the contract period to June 19, 2023 will be included in the 2023 Operating Budget submission for Fleet Services Division.

Funding in the amount of \$47,548 net of HST recoveries is included in the 2022 approved Operating Budget for Toronto Paramedic Services. Funding in the amount of \$47,548 net of HST recoveries for the balance of the contract period to June 19, 2023 will be included in the 2023 Operating Budget submission for Toronto Paramedic Services.

Funding in the amount of \$154,886 net of HST recoveries is included in the 2022 approved Operating Budget for Toronto Fire Services. Funding in the amount of

\$154,886 net of HST recoveries for the balance of the contract period to June 19, 2023 will be included in the 2023 Operating Budget submission for Toronto Fire Services.

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, Toronto Paramedic Services, and Toronto Fire Services. Funding details are summarized in the Tables below as follows:

Table 1: Financial Impact Summary of Recommended Contract (net of HST recoveries) to Fleet Services Division

Fleet Services Division Fleet Services Operational Budget: FL100 Cost Element: 2181 and 4404	Net of HST recoveries
Initial Year Period from June 20, 2022 to December 31, 2022	\$323,378
Initial Year Period from January 01, 2023 to June 19, 2023	\$323,378
Option Year 1 From June 20, 2023 to June 19, 2024	\$666,158
Option Year 2 From June 20, 2024 to June 19, 2025	\$686,143
Option Year 3 From June 20, 2025 to June 19, 2026	\$706,728
Option Year 4 From June 20, 2026 to June 19, 2027	\$727,929
Total Cost from June 20, 2022 to June 19, 2027	\$3,433,715

Table 2: Financial Impact Summary of Recommended Contract (net of HST recoveries) to Toronto Paramedic Services

Toronto Paramedic Services Fleet Services Operational Budget: B41100 Cost Element: 4404	Net of HST recoveries
Initial Year Period from June 20, 2022 to December 31, 2022	\$47,548
Initial Year Period from January 01, 2023 to June 19, 2023	\$47,548
Option Year 1 From June 20, 2023 to June 19, 2024	\$97,950
Option Year 2 From June 20, 2024 to June 19, 2025	\$100,888
Option Year 3 From June 20, 2025 to June 19, 2026	\$103,915
Option Year 4 From June 20, 2026 to June 19, 2027	\$107,032
Total Cost from June 20, 2022 to June 19, 2027	\$504,881

Table 3: Financial Impact Summary of Recommended Contract (net of HST recoveries) to Toronto Fire Service

Toronto Fire Services Fire Services Operational Budget: FR0025 Cost Element: 4424	Net of HST recoveries
Initial Year Period from June 20, 2022 to December 31, 2022	\$154,886
Initial Year Period from January 01, 2023 to June 19, 2023	\$154,886
Option Year 1 From June 20, 2023 to June 19, 2024	\$319,066
Option Year 2 From June 20, 2024 to June 19, 2025	\$328,638
Option Year 3 From June 20, 2025 to June 19, 2026	\$338,497

Option Year 4 From June 20, 2026 to June 19, 2027	\$348,652
Total Cost from June 20, 2022 to June 19, 2027	\$1,644,625

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

SOLICITATION SUMMARY

Solicitation Issued: November 10, 2021 **Solicitation Closed:** December 10, 2021

Number of Addenda Issued: 1

Number of Bids: 3

Table 4: Summary of Bids Received including bid price;

Supplier Name	Bid Price (excluding H.S.T.)
Total Suspension Inc.*	\$1,772,553
Hardick Spring Service Ltd.	\$2,130,183
Transit Spring Service Ltd.	\$2,268,668

*Pursuant to the Request for Quotation document the contract award value includes the contingency allowance.

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