



BID AWARD PANEL CONTRACT AWARD

Award of Ariba Document Number 3518539833 to London Machinery Inc. (McNeilus Canada) for the Supply and Delivery of Mack Cab-over truck Chassis, Tandem Axle, and Refuse Loading Packer Body's for Fleet Services

Date: August 18, 2022
To: Bid Award Panel
From: Acting Chief Procurement Officer
Wards: All

RECOMMENDATIONS

The Acting Chief Purchasing Officer recommends that the Bid Award Panel, pursuant to Section 195-8.3.A(2) of the Municipal Code, Chapter 195, Purchasing, exercise the power of a Standing Committee to grant authority to award the following contract:

Solicitation Number:
Request for Quotation, Ariba Document Number 3518539833

Description:
For the supply and delivery of Thirty Eight (38) latest model Mack Cab-over truck chassis 28, 123 Kg (62,000 LBS) GVWR tandem axle, complete with 32 yd³ (24.47 m³) single stream, rear loading refuse packer body, with option to purchase four (4) electric units in 2023-2024 pending budget availability. Upon Award of this Request for Quotation, the Supplier and the City will have a Contract from the date of award to September 6, 2024 for a fixed term of two (2) years, all in accordance with the terms, conditions, and specifications contained in this Request for Quotation and any applicable City policy.

Recommended Supplier:
London Machinery Inc. (McNeilus Canada).

Contract Award Value: (2022-2023)
\$19,377,074 net of all applicable taxes and charges
\$21,896,093 including HST and all applicable charges
\$19,718,110 net of HST recoveries

Contract is expected to start on the date of award and end on September 6, 2024.

Contract Award Value (2023-2024) (Optional):

\$6,003,713 net of all applicable taxes and charges

\$6,784,196 including HST and all applicable charges

\$6,109,378 net of HST recoveries

The total potential contract award identified in this report is \$25,380,787 net of all applicable taxes and charges, \$28,680,289 including HST and applicable charges. **The total potential cost to the City is \$25,827,488 net of HST recoveries.**

The above cost calculations reflect a 3% Price Increase applied annually to optional year cost after the initial one (1) year period.

FINANCIAL IMPACT

The total potential contract award identified in this report is \$25,380,787 net of all applicable taxes and charges, \$28,680,289 including HST and applicable charges. The total potential cost to the City is \$25,827,488 net of HST recoveries.

Funding for the mandatory purchases is available for commitment in the 2022-2031 Council Approved Capital Budget and Plan for Fleet Services. Funding for the optional purchases, if applicable, will be requested in future Capital Budget Submissions for Fleet Services. Funding details follow in Table 1:

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

Division / Account	2023 (net of HST recoveries) (38 CNG units)	2023-2024 (net of HST recoveries) (Optional) (4 Electric units)	Total Potential Contract Value
Solid Waste Management Services - Fleet Replacement CFL008	\$19,718,110	\$6,109,378	\$25,827,488

The Chief Financial Officer and Treasurer has reviewed this report and agrees with the financial impact information.

SOLICITATION SUMMARY

Solicitation Issued: June 16, 2022

Solicitation Closed: July 22, 2022

Number of Addenda Issued: Two (2)

Number of Bids: Three (3)

Table 2: Summary of Bids Received including bid price:

Supplier Name	Bid Price (excluding H.S.T.)
London Machinery Inc. (McNeilus Canada)	\$19,377,074
Durham Truck and Equipment	\$19,463,539
DTL Leasing	\$20,248,380

DIVISION CONTACTS

Justin Lau, Manager, Purchasing Client Services, Corporate Services and Finance & Treasury Services, Purchasing and Materials Management, Telephone: (416) 392-7316, Email: Justin.Lau@toronto.ca

Vukadin Lalovic, Director, Asset Management, Fleet Services, Telephone: (416) 392-6365, Email: Vukadin.Lalovic@toronto.ca

COMMENTS

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

a. City Council is in election recess and pursuant to the Municipal Code, Chapter 195, Purchasing, Sections 195-8.3.A(2), the Bid Award Panel has authority to exercise the power of a Standing Committee to make an award that exceeds \$20,000,000 (excluding applicable taxes);

b. 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;

c. the appropriate Division has reviewed submissions and found the price to be reasonable, within available budget and concurs with the recommendation;

d. the total contract value is more than \$20 million dollars (excluding applicable taxes) and the contract term is:

1. for a contract funded by the operating budget, 2 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;

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

Sandra Lisi
Acting Chief Procurement Officer