



BID AWARD PANEL CONTRACT AWARD

Award of Ariba Document Number 3591726444 to Classic Towing and Storage and Abrams Towing to Perform Towing Services for Light, Medium and Heavy Duty Vehicles

Date: October 20, 2022
To: Bid Award Panel
From: Acting Chief Procurement Officer
Wards: All

RECOMMENDATIONS

The Acting Chief Procurement Officer recommends that the Bid Award Panel grant authority to award the following contract:

Solicitation Number:

Request for Quotation, Ariba Document Number 3591726444

Description:

For the non-exclusive supply and delivery of Towing Services for Light-Duty, Medium-Duty, Heavy-Duty vehicles and off-road vehicles, on an as-and-when-required basis, 24-hour a day, and 7-days a week within the Greater Toronto Area and outside of the Greater Toronto Area in Ontario, for the City of Toronto and its Agencies and Corporations for a period of one (1) year from November 1, 2022, to October 31, 2023, with the option to renew the contract for additional two (2) separate two (2) year terms.

The Request for Quotation is structured to award two (2) separate contracts, one (1) to the Primary supplier and one (1) to the Secondary supplier, based on the suppliers meeting the specifications listed in Part 4 of the Request for Quotation. Fleet Services Division intends to distribute 60-80% of the work to the Primary Supplier, and 20-40% of the work to the Secondary Supplier as per Request for Quotation Part 5 - Instructions to Pricing Form, Section 4.4.

Recommended Supplier:

Classic Towing & Storage

Contract Award Value:

\$432,626 net of all applicable taxes and charges (including 25% for miscellaneous items)

\$488,868 including HST and all applicable charges

\$440,240 net of HST recoveries

Contract is expected to start on November 1, 2022 and end on October 31, 2023.

Option Term 1 from November 1, 2023 to October 31, 2025

\$891,210 net of all applicable taxes and charges (including 25% for miscellaneous items)

\$1,007,067 including all applicable taxes and charges

\$906,895 net of HST recoveries

Option Term 2 from November 1, 2025 to October 31, 2027

\$917,946 net of all applicable taxes and charges (including 25% for miscellaneous items)

\$1,037,279 including all applicable taxes and charges

\$934,102 net of HST recoveries

The total potential contract award for Classic Towing and Storage identified in this report including all optional terms is \$2,241,782 net of all taxes, and \$2,533,214 including all applicable taxes and charges. **The total potential cost to the City, including all option terms, is \$2,281,238 net of HST recoveries.**

Recommended Supplier:

Abrams Towing

Contract Award Value:

\$237,591 net of all applicable taxes and charges (including 25% for miscellaneous items)

\$268,477 including HST and all applicable charges

\$241,772 net of HST recoveries

Contract is expected to start on November 1, 2022 and end on October 31, 2023.

Option Term 1 from November 1, 2023 to October 31, 2025

\$489,437 net of all applicable taxes and charges (including 25% for miscellaneous items)

\$553,063 including all applicable taxes and charges

\$498,051 net of HST recoveries

Option Term 2 from November 1, 2025 to October 31, 2027

\$504,120 net of all applicable taxes and charges (including 25% for miscellaneous items)

\$569,655 including all applicable taxes and charges

\$512,992 net of HST recoveries

The total potential contract award for Abrams Towing identified in this report including all optional terms is \$1,231,147 net of all taxes, and \$1,391,196 including all applicable taxes and charges. **The total potential cost to the City, including all option terms, is \$1,252,815 net of HST recoveries.**

The total potential combined contract awards for both suppliers identified in this report including all optional terms is \$3,472,929 net of all taxes, and \$3,924,411 including all

applicable taxes and charges. **The total potential cost to the City for both suppliers, including all option terms, is \$3,534,053 net of HST recoveries.**

A three (3) percent CPI adjustment is applied to each of the two-year option term after the initial one (1) year contract period.

FINANCIAL IMPACT

The total potential contract award identified in this report is \$3,924,411 including all applicable taxes and charges. The total potential cost to the City is \$3,534,053 net of HST recoveries.

Funding in the amount of \$113,669 net of HST recoveries is included in the 2022 Approved Operating Budget for Fleet Services Division. Funding in the amount of \$568,344 net of HST recoveries for the balance of the contract period to October 31, 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 two (2) separate two (2) year periods, then appropriate funding, if needed, will be included in the 2023-2027 annual Operating Budget Submissions for each participating division. Funding details are provided in the table's below.

Table 1: Financial Impact Summary, net of HST Recoveries

WBS Element / Group Cost Centre	Initial Year		Option Term 1	Option Term 2	Total Contract Term (net of HST Recoveries)
	November 1, 2022 to December 31, 2022	January 1, 2023 to October 31, 2023	November 1, 2023 to October 31, 2025	November 1, 2025 to October 31, 2027	
FL100 C/E 4083	\$113,669	\$568,344	\$1,404,946	\$1,447,095	\$3,534,053

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

SOLICITATION SUMMARY

Solicitation Issued: August 9, 2022 **Solicitation Closed:** September 13, 2022
Number of Addenda Issued: Four (4)
Number of Bids: Two (2)

Table 2: Summary of Bids Received including bid price:

Supplier Name	Total (excluding HST)
Classic Towing & Storage	\$494,430.00

Supplier Name	Total (excluding HST)
Abrams Towing	\$633,575.00

DIVISION CONTACTS

Kelly McGarry, Manager, Purchasing Client Services, Purchasing and Materials Management (PMMD), Telephone: 416-338-5574, Email: KellyLee.McGarry@toronto.ca

Gui Andrade, Manager, Fleet Contracts, Fleet Services
Telephone: 416-394-8607, Email: Gui.Andrade@toronto.ca

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

Sandra Lisi
Acting Chief Procurement Officer