



BID AWARD PANEL CONTRACT AWARD

Award of Ariba Document Number 3610876999 to Krown Corporate to provide Mobile Rust Control and Rust Proofing services for various vehicles and equipment

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 3610876999

Description:

For the non-exclusive supply and delivery of all labour, materials and equipment necessary to provide Mobile Rust Control and Rust Proofing services for various vehicles and equipment for City of Toronto Divisions, 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 an additional two (2) separate two (2) year terms.

Toronto Police Services participated in this competition and will be seeking authority to award contracts to Krown Corporate from their Board and will manage the subsequent contracts independently from the City.

Recommended Supplier:

Krown Corporate

Contract Award Value:

\$145,181 net of all applicable taxes and charges (including 25% for miscellaneous items)

\$164,055 including HST and all applicable charges

\$147,736 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

\$299,073 net of all applicable taxes and charges (including 25% for miscellaneous items)
\$337,953 including all applicable taxes and charges
\$304,337 net of HST recoveries

Option Term 2 from November 1, 2025 to October 31, 2027
\$308,046 net of all applicable taxes and charges (including 25% for miscellaneous items)
\$348,092 including all applicable taxes and charges
\$313,467 net of HST recoveries

The total potential contract award identified in this report including all optional terms is \$752,300 net of all taxes, and \$850,099 including all applicable taxes and charges. **The total potential cost to the City, including all option terms, is \$765,541 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 \$850,099 including all applicable taxes and charges. The total potential cost to the City is \$765,541 net of HST recoveries.

Funding in the amount of \$11,224 net of HST recoveries is available in the 2022 Approved Operating Budget for Fleet Services Division. Funding in the amount of \$56,122 net of HST recoveries for the balance of the contract period to October 31, 2023, is included in the 2023 Operating Budget Submission for Fleet Services Division.

Funding in the amount of \$10,685 net of HST recoveries is available in the 2022 Approved Operating Budget for Toronto Fire Services. Funding in the amount of \$53,424 net of HST recoveries for the balance of the contract period to October 31, 2023, is included in the 2023 Operating Budget Submission for Toronto Fire Services.

Funding in the amount of \$2,714 net of HST recoveries is available in the 2022 Approved Operating Budget for Toronto Paramedic Services. Funding in the amount of \$13,568 net of HST recoveries for the balance of the contract period to October 31, 2023, is included in the 2023 Operating Budget Submission for Toronto Paramedic Services.

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 - Fleet Services

Cost Centre/ Cost Element	Initial Year		Option Term 1	Option Term 2	Total Contract Term (net of HST Recoveries)
	November 1, 2022 to December 31, 2023	January 1, 2023 to October 31, 2023	November 1, 2023 to October 31, 2025	November 1, 2025 to October 31, 2027	
FL100 C/E 2181 &4404	\$11,224	\$56,122	\$138,733	\$142,895	\$348,975

Table 2: Financial Impact Summary, net of HST Recoveries - Toronto Fire Services

Cost Centre/ Cost Element	Initial Year		Option Term 1	Option Term 2	Total Contract Term (net of HST Recoveries)
	November 1, 2022 to December 31, 2023	January 1, 2023 to October 31, 2023	November 1, 2023 to October 31, 2025	November 1, 2025 to October 31, 2027	
FR0025-C/E 4424	\$10,685	\$53,424	\$132,064	\$136,026	\$332,199

Table 3: Financial Impact Summary, net of HST Recoveries - Toronto Paramedic Services

Cost Centre/ Cost Element	Initial Year		Option Term 1	Option Term 2	Total Contract Term (net of HST Recoveries)
	November 1, 2022 to December 31, 2023	January 1, 2023 to October 31, 2023	November 1, 2023 to October 31, 2025	November 1, 2025 to October 31, 2027	
B41100, B45109, B45555, B41119/ C/E 4404	\$2,714	\$13,568	\$33,540	\$34,546	\$84,368

The Chief Financial Officer and Treasurer has been provided the financial impacts associated with the programs for review as part of the 2023 budget process.

SOLICITATION SUMMARY

Solicitation Issued: August 22, 2022 **Solicitation Closed:** September 26, 2022

Number of Addenda Issued: Two (2)

Number of Bids: Three (3)

Table 4: Summary of Bids Received including bid price:

Supplier Name	Total (excluding HST)*
Krown Corporate	\$124,845.00
11297406 Canada Ltd. (Rust Check Centre)	\$135,350.00
Citadel Paint & Coatings (Rustkote)	\$143,665.00

* The Evaluated Bid Price includes pricing for Toronto Police Services, but the latter's award is not included in this BAP process or the contract award value.

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

Sandra Lisi
Acting Chief Procurement Officer