

Non-Competitive Contracts for Various Playground Equipment Suppliers

Date: December 17, 2021

To: General Government and Licensing Committee

From: General Manager, Parks, Forestry & Recreation, and Chief Procurement Officer, Purchasing and Materials Management

Wards: All Wards

SUMMARY

The purpose of this report is to seek authority to issue five (5) non-competitive blanket contracts with various playground equipment suppliers for a total cumulative amount of \$975,000 net of all taxes and charges (\$992,160 net of Harmonized Sales Tax recoveries) for a five (5) year period starting from February 7, 2022 to February 6, 2027. This is required to ensure continuity of critical supply of playground equipment parts and warranties for proprietary playground equipment products.

City Council approval is required in accordance with Municipal Code Chapter 195-Purchasing, where the current request exceeds the Chief Procurement Officer's authority of the cumulative five year commitment limit for each vendor under Article 7, Section 195-7.3(D) of the Purchasing By-law or exceeds the threshold of \$500,000 net of Harmonized Sales Tax allowed under staff authority as per the Toronto Municipal Code, Chapter 71-Financial Control, section 71-11C.

RECOMMENDATIONS

The General Manager, Parks, Forestry, and Recreation, and the Chief Procurement Officer recommend that:

1. City Council authorize the General Manager, Parks, Forestry, and Recreation, to negotiate and enter into the non-competitive agreements, on terms and conditions satisfactory to the General Manager, Parks, Forestry, and Recreation and in a form satisfactory to the City Solicitor, for a five (5) year period starting from February 7, 2022 to February 6, 2027 to the following playground equipment suppliers:

- a. Playpower LT Canada Inc. in the amount of \$500,000 net of all applicable taxes and charges (\$508,800 net of Harmonized Sales Tax recoveries);

b. ABC Recreation Ltd. in the amount of \$150,000 net of all applicable taxes and charges (\$152,640 net of Harmonized Sales Tax recoveries);

c. Henderson Recreation Equipment Limited in the amount of \$100,000 net of all applicable taxes and charges (\$101,760 net of Harmonized Sales Tax recoveries);

d. Kompan Inc. in the amount of \$75,000 net of all applicable taxes and charges (\$76,320 net of Harmonized Sales Tax recoveries); and

e. Dynamo Playgrounds in the amount of \$150,000, net of all applicable taxes and charges (\$152,640 net of Harmonized Sales Tax recoveries).

FINANCIAL IMPACT

The cumulative value of the blanket contracts identified in this report is \$975,000 net of all taxes and charges (\$992,160 net of Harmonized Sales Tax recovery).

Funding for the requested contracts noted in recommendations 1 to 5 are included in the 2022 Staff Recommended Operating and Capital Budgets for Parks, Forestry and Recreation as summarized in Table 1 below.

Table 1: Financial Impact Summary of Recommended Contracts

Vendor	Blanket Contract #	WBS Element / Cost Centre / Cost Element	Description	Date of Award to February 6, 2023	February 7, 2023 to February 6, 2024	February 7, 2024 to February 6, 2025	February 7, 2025 to February 6, 2026	February 7, 2026 to February 6, 2027	Total (Net of HST Recoveries)
PLAYPOWER LT	47021396	CPR119-51-02	Play Enhancement Program	\$95,654.40	\$95,654.40	\$95,654.40	\$95,654.40	\$95,654.40	\$478,272.00
		P00427 / 3015	PRN – Centralized Parks Construction OPS / M & E - Grounds	\$6,105.60	\$6,105.60	\$6,105.60	\$6,105.60	\$6,105.60	\$30,528.00
		Subtotal (Net of HST Recoveries)			\$101,760.00	\$101,760.00	\$101,760.00	\$101,760.00	\$101,760.00
ABC RECREATION LTD	47021398	CPR119-51-02	Play Enhancement Program	\$30,528.00	\$30,000	\$30,000	\$30,000	\$30,000	\$152,640.00
HENDERSON RECREATION	47021399	CPR119-51-02	Play Enhancement Program	\$20,352.00	\$20,000	\$20,000	\$20,000	\$20,000	\$101,760.00
KOMPAN INC	47021400	CPR119-51-02	Play Enhancement Program	\$15,264.00	\$15,264.00	\$15,264.00	\$15,264.00	\$15,264.00	\$76,320.00

DYNAMO PLAYGROUND S	N/A	CPR119-51- 02	Play Enhancement Program	\$30,528.0 0	\$30,528.0 0	\$30,528.0 0	\$30,528.0 0	\$30,528.0 0	\$152,640.00
Total (Net of HST Recoveries)				\$198,432. 00	\$198,432. 00	\$198,432. 00	\$198,432. 00	\$198,432. 00	\$992,160.00

The Chief Financial Officer and Treasurer has reviewed this report which has multi-year financial implications and agrees with the information as presented in the Financial Impact Section.

DECISION HISTORY

There is no previous decision history.

COMMENTS

Parks, Forestry and Recreation Division has installed nearly 1000 playgrounds across the City. All of these playgrounds have proprietary parts that must be purchased from the playground equipment manufacturers. Parts are purchased from these vendors due to exhausted warranties from the initial installation and to replace broken or otherwise vandalized parts of the playground in order to extend the life of the playground equipment. Each vendor has their own proprietary rights for replacement parts to match their existing playground equipment that was originally installed. These blanket contracts will be ongoing, as playground equipment requires regular inspection, maintenance and repairs.

Historically, PFR has purchased playground equipment parts through the use of recurring non-competitive Divisional Purchase Orders (DPO) to ensure that playground equipment is properly maintained. The previous set of contracts began in April 2018 and expired April 30, 2021. However, the purchase of playground products from these select vendors continue to be required. As a result, the Parks, Forestry and Recreation Division is requesting the authority to enter into non-competitive contracts with the above noted vendors to ensure continuity of critical supply of playground equipment parts and warranties for proprietary playground equipment products.

The non-competitive contract amounts requested are estimated based on historic usage to-date, represent upset limits, and are to be utilized as required to meet service demands. This is inclusive of amounts required for increased and unknown service requests and calls, preventative maintenance, and State of Good Repair (SOGR) minor capital replacements, where applicable. The need for Council approval is required as the non-competitive procurement for these parts will now extend beyond 5 years including the last set of three (3) year blanket contracts.

CONTACT

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SIGNATURE

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