

## **Amendment to Blanket Contract 47021793 with Enterprise Rent-A-Car Canada for Short-term Vehicle Rental Services**

**Date:** May 18, 2022

**To:** General Government & Licensing Committee

**From:** General Manager, Fleet Services and Chief Procurement Officer

**Wards:** All

### **SUMMARY**

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The purpose of this report is to seek authority for the General Manager, Fleet Services Division to amend blanket contract number 47021793 issued to Enterprise Rent-A-Car Canada, for the non-exclusive supply and delivery of short-term vehicle rental services, and increase the contract target value by \$3,058,976 net of all applicable taxes (\$3,112,814 net of HST recoveries), increasing the total contract target value from \$18,189,865 to \$21,248,841 net of all applicable taxes (\$21,622,820 net of HST recoveries) to be able to provide services to City Divisions should there be a resurgence of COVID-19 related variants.

### **RECOMMENDATIONS**

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The General Manager, Fleet Services, and the Chief Procurement Officer recommend that:

1. The General Government & Licensing Committee, in accordance with Section 71-11.1C of the City of Toronto Municipal Code Chapter 71 (Financial Control By-law), grant authority to amend blanket contract number 47021793 and increase the contract target value by \$3,058,976 net of all applicable taxes (\$3,112,814 net of HST recoveries), increasing the total contract target value from \$18,189,865 to \$21,248,841 net of all applicable taxes (\$21,622,820 net of HST recoveries).

### **FINANCIAL IMPACT**

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The total potential cost to the City identified in this report is \$3,456,643 including all taxes and charges. The total potential cost to the City is \$3,112,814 net of HST recoveries.

Funding in the amount of \$703,672 net of HST recoveries is included in the 2022 Approved Operational Budget for Fleet Services. Funding in the amount of \$2,409,142 net of HST recoveries will be included in the 2023 Fleet Services Operating Budget submission.

Table 1: Financial Impact Summary of Recommended Contract Amendment for optional year four (4), net of HST recoveries.

|                                                                 |                              |                                |
|-----------------------------------------------------------------|------------------------------|--------------------------------|
| Fleet Services Division Cost Centre: FL400<br>Cost Element:4510 | Oct. 8 to<br>Dec. 31<br>2022 | Jan. 1 2023 to<br>Oct. 7, 2023 |
| Optional year four (4)                                          | \$703,672                    | \$2,409,142                    |
| Total                                                           | \$3,112,814                  |                                |

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

## DECISION HISTORY

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At its meeting of October 24, 2018, the Bid Award Panel adopted without amendment item BA103.1 for the award of short-term rentals to two Vendors, New Horizon Car and Truck Rentals Ltd. and Enterprise Rent-A-Car Company, as a result of Request for Quotation 6106-18- 0097.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2018.BA103.1>.

At its meeting of January 30, 2019, the Bid Award Panel adopted without amendment item BA10.7 to rescind the award to New Horizon Car and Truck Rentals Ltd. and award it to Enterprise Rent-A-Car Company.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.BA10.7>

At its meeting of May 28, 2020, City Council adopted without amendment item CC21.6 to the amendment to contract 47021793 to increase funding to support City services resulting from the COVID-19 pandemic.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2020.CC21.6>

At its meeting of May 27, 2021, City Council adopted without amendment item GL23.12 to the amendment to contract 47021793 to increase funding to support City services resulting from the COVID-19 pandemic and to implement telematics devices on short-term rental vehicles.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2021.GL23.12>

## COMMENTS

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On May 27, 2021, City Council adopted Fleet Services recommendation (GL23.12) to add additional funding in the amount of \$2,418,420, net of HST recoveries, to cover COVID-19 expenses for Optional Year 2 from October 8, 2020 to October 7, 2021 and funding in the amount of \$2,490,972, net of HST recoveries, to cover COVID-19 expenses for Optional Year 3 from October 8, 2021 to October 7, 2022. Report GL23.12 did not ask for funding to cover COVID-19 expenses for Optional Year 4 from October 8, 2022 to October 7, 2023. This report is now seeking City Council's approval to add additional funding in the amount of \$3,112,814 net of HST recoveries, should there be continued impacts of the COVID-19 pandemic for the balance of the contract term to October 7, 2023.

Should there be a resurgence of COVID-19 related variants, short-term rental vehicles may be utilized by various City divisions to maintain physical distancing between staff. Table 2 summarizes the short-term rental vehicle requirement per division to support their COVID activities.

Table 2: Summary of Estimated Short-Term Rental Vehicle Requirements to Support COVID Activities per Division.

| Division                            | Estimated Number of Vehicles Required |
|-------------------------------------|---------------------------------------|
| Parks Forestry & Recreation         | 145                                   |
| Fire Services                       | 4                                     |
| Toronto Water                       | 19                                    |
| Transportation Services             | 12                                    |
| Paramedic Services                  | 10                                    |
| Toronto Public Library              | 3                                     |
| Solid Waste Management              | 2                                     |
| Corporate Real Estate Management    | 2                                     |
| Purchasing and Materials Management | 1                                     |
| Municipal Licensing and Standards   | 1                                     |
| Office of Emergency Management      | 4                                     |
| Total                               | 203                                   |

## CONTACT

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**SIGNATURE**

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David Jollimore  
General Manager, Fleet Services

Michael Pacholok  
Chief Procurement Officer

**ATTACHMENTS**

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