



BID AWARD PANEL CONTRACT AWARD

Award of Ariba Document Number 3797368837 to Matthews Equipment Limited O/A Herc Rentals for Heavy Equipment Rentals for Toronto Water

Date: May 18, 2023
To: Bid Award Panel
From: Chief Procurement Officer
Wards: All

RECOMMENDATIONS

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

Solicitation Number:

Request for Quotations, Ariba Document Number 3797368837

Description:

For the non-exclusive supply of rental, delivery and pick up of heavy equipment (no operators, excluding fuel), including maintenance, service, insurance and all other charges for various Toronto Water locations, for a period of one (1) year, with an option in favour of the City to extend the agreement on the same terms and conditions for an additional term of up to four (4) separate one (1) year periods.

Should the option(s) be exercised, then the General Manager of the Toronto Water Division will request the Chief Procurement Officer to process the renewals under the same terms and conditions.

Recommended Supplier:

Matthews Equipment Limited O/A Herc Rentals

Contract Award Value:

\$687,422 net of all applicable taxes and charges (including 20 percent for miscellaneous items)

\$776,787 including HST and all applicable charges

\$699,521 net of HST recoveries

Contract is expected to start on date of award and end on May 31, 2024.

Option Year 1: June 1, 2024 to May 31, 2025

\$721,794 net of all applicable taxes and charges (including 20 percent for miscellaneous items)

\$815,627 including HST and all applicable charges

\$734,497 net of HST recoveries

Option Year 2: June 1, 2025 to May 31, 2026

\$757,883 net of all applicable taxes and charges (including 20 percent for miscellaneous items)

\$856,408 including HST and all applicable charges

\$771,222 net of HST recoveries

Option Year 3: June 1, 2026 to May 31, 2027

\$795,777 net of all applicable taxes and charges (including 20 percent for miscellaneous items)

\$899,228 including HST and all applicable charges

\$809,783 net of HST recoveries

Option Year 4: June 1, 2027 to May 31, 2028

\$835,566 net of all applicable taxes and charges (including 20 percent for miscellaneous items)

\$944,190 including HST and all applicable charges

\$850,272 net of HST recoveries

Total Potential Contract Award, including Option Years, is \$3,865,295 net of HST recoveries, \$4,292,240 including all applicable taxes and charges and \$3,798,443 net of all applicable taxes and charges.

The above cost calculations reflect a five (5) percent Consumer Price Index adjustment applied annually to the yearly cost after the initial year.

FINANCIAL IMPACT

The total potential contract award identified in this report is \$4,292,240 including all applicable taxes and charges. The total potential cost to the City is \$3,865,295 net of HST recoveries.

Funding is available in the 2023 Approved Operating Budget. Funding is also available in the 2023-2032 Approved Capital Budget and Plan for Toronto Water. Should the optional periods be exercised, then additional funding will be included in the 2024-2028 Operating and Capital Budget Submissions for Toronto Water.

Table 1: Financial Impact Summary of Recommended Contract

G/L Acct / Cost Centre	Contract Period Date of award Dec 31, 2023	Contract Period Jan 1, 2024 to May 31,2024	Option Year 1 June 1, 2024 to May 31, 2025	Option Year 2 June 1, 2025 to May 31, 2026	Option Year 3 June 1, 2026 to May 31, 2027	Option Year 4 June 1, 2027 to May 31, 2028	Total (net of HST Recoveries)
TW Various Cost Centers GL4510, 4520, 4590, and 4426	\$122,416	\$87,440	\$220,349	\$231,366	\$242,935	\$255,081	\$1,159,587
CWW034-06	\$22,851	\$16,322	\$41,132	\$43,188	\$45,348	\$47,615	\$216,457
CWW466-09	\$34,277	\$24,483	\$61,698	\$64,783	\$68,022	\$71,423	\$324,685
CWW466-11	\$228,510	\$163,222	\$411,318	\$431,885	\$453,478	\$476,153	\$2,164,566
Sub Total Capital	\$285,638	\$204,027	\$514,148	\$539,856	\$566,848	\$595,191	\$2,705,708
GRAND TOTAL	\$408,054	\$291,467	\$734,497	\$771,222	\$809,783	\$850,272	\$3,865,295

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

SOLICITATION SUMMARY

Solicitation Issued: January 25, 2023

Solicitation Closed: February 23, 2023

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. and 20 percent for miscellaneous items)
Matthews Equipment Limited O/A Herc Rentals Inc.	\$572,852.00
Aqua Tech Solutions Inc.	\$1,127,580.00
Tri-City Equipment*	\$5,701,800.00**

*Supplier was found non-compliant with mandatory requirements

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 submitted electronically in 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

Geneviève Sharkey
Chief Procurement Officer