



BID AWARD PANEL CONTRACT AWARD

Award of Collaborative Procurement contract from Kinetic GPO Request for Standing Offers number 22-08 to The Turf Care Products Canada Limited for The Supply and Delivery of Twenty- Four (24) Various Grounds Maintenance Equipment for various City Divisions

Date: June 1, 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 as per the Toronto Municipal Code, Chapter 195-6.6. Procurement of same goods and services as a public body.

Solicitation Number:

Kinetic GPO Request for Standing Offers Number: 22-08

Description:

Kinetic GPO is a cooperative purchasing organization established for Broader Public Sector and MASH entities across Canada, with the specific purpose of reducing procurement cost by leveraging the purchasing power of group buying and saving our members time by simplifying steps to procure. Kinetic GPO issued the Request for Standing Offers to result in a national contract Request for Standing Offers 22-08 with The Toro Company for the procurement of Grounds Maintenance Equipment, attachments, Accessories, and Related Services. The effective date of the Kinetic GPO Contract is from February 1, 2023 and will expire on January 31, 2026 with option to renew for two (2) additional one-year periods through January 31, 2028.

After reviewing this Kinetic GPO's Request for Standing Offers 22-08, Fleet Services in conjunction with Parks, Forestry & Recreation will piggyback on this Kinetic GPO Contract with the Toro and issue a purchase order to their local dealer, Turf Care Products Canada Limited to purchase twenty-four (24) Various Grounds Maintenance Equipment in 2023, with option to purchase fifty-nine (59) units in 2024 and sixty-four (64) units in 2025, pending budget availability. Should the option year renewal be extended by Kinetic GPO, Fleet Services may purchase forty-three (43) units in 2026 and eighteen (18) units in 2027, pending budget availability. The term of this contract is three (3) year which commenced in 2023, with the option to extend for two (2) additional one-year term under the same terms and conditions from date of award to January 31, 2028.

Recommended Supplier:

Turf Care Products Canada Limited

Contract Award Value:

\$12,908,009 net of all applicable taxes and charges
\$14,886,050 including HST and all applicable charges
\$13,135,189 net of HST recoveries

Contract is expected to start from date of award and end on January 31, 2026

Option Year 1 – From February 1, 2026 to January 31, 2027
\$3,773,640 net of all applicable taxes and charges
\$4,264,213 including HST and all applicable charges
\$3,840,056 net of HST recoveries

Option Year 2 – From February 1, 2027 to January 31, 2028
\$1,832,731 net of all applicable taxes and charges
\$2,070,986 including HST and all applicable charges
\$1,864,987 net of HST recoveries

The above cost calculations include three percent (3%) CPI cost adjustment applied to each term after the initial one (1) year contract period.

The total potential contract award identified in this report including all option years is \$18,514,380 net of all applicable taxes and charges. **The total potential cost to the City, including all optional periods is \$18,840,233 net of HST recoveries.**

FINANCIAL IMPACT

The total potential combined contract award identified in this report including all optional years is \$18,514,380 net of all applicable taxes and charges, and \$20,921,250 including all applicable taxes and charges. The total potential cost to the City including all option years is \$18,840,233 net of HST recoveries.

Funding in the amount of \$3,464,667 net of HST recoveries is available in the 2023 Approved Capital Budget and Plan for Fleet Services. Additional funding will be included in the 2024-2025 Capital Budget Submissions for Fleet Services. Should the City choose to exercise the option years, then sufficient funding will be included in the 2026-2027 Capital Budget Submissions for Fleet Services. Additional funding details follow in Table 1.

Table 1: Financial Impact Summary including HST recoveries of Recommended Contract Capital Project CFL005 (Parks, Forestry & Recreation Vehicle/Equipment Purchase State of Good Repair)

Parks Forestry & Recreation Vehicle/Equipment Purchase (State of Good Repair) CFL005	Estimated No. of Units	Net of HST Recoveries
From the Date of Award to January 31, 2024	24	\$3,464,667
February 1, 2024 to January 31, 2025	59	\$4,977,729
February 1, 2025 to January 31, 2026	64	\$4,692,794
Option Year 1 February 1, 2026 to January 31, 2027	43	\$ 3,840,056
Option Year 2 February 1, 2027 to January 31, 2028	18	\$1,864,987
Total Cost from the Date of Award to Jan 31, 2028	208	\$18,840,233

Table 2: Combined Financial Impact by Budget Year (Net of HST recoveries)

Fleet Services Capital Budget: CFL005					
2023	2024	2025	2026	2027	Total
\$ 3,464,667	\$ 4,977,729	\$ 4,692,794	\$ 3,840,056	\$ 1,864,987	\$ 18,840,233

The Chief Financial Officer and Treasurer has reviewed this report and agrees with the information as presented in the Financial Impact Section.

SOLICITATION SUMMARY

Solicitation Issued: September 23, 2022
 Solicitation Closed: November 18, 2022
 Number of Addenda Issued: None
 Number of Bids: Twenty (20)
 Notice of Award: January 27, 2023

CONTACT

Clarman Yang, Acting Manager, Purchasing Client Services, Corporate Services, and Finance & Treasury Services, Purchasing and Materials Management, Telephone: (416) 392 1302, Email: Clarman.Yang@toronto.ca

Kiran Panchal, Manager, Fleet, Fleet Services, Telephone: (416) 397-4258, Email: Kiran.Panchal@toronto.ca

COMMENTS

The City of Toronto is utilizing the Kinetic GPO Contract for the recommended award, as per the Toronto Municipal Code, Chapter 195-6.6. Procurement of same goods and services as a public body, the following requirements have been met

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 Fleet Services Division has reviewed the Kinetic GPO submissions and found the price to be reasonable, within available budget and concurs with the recommendation;
- c. The resulting contract between the public body and the supplier stipulates that the same goods and/or services be made available to other public bodies which include the City at the same price as provided by the supplier to the initiating public body;
- d. The same goods and/or services will be made available to the City for the same or better price than the price that is to be paid by the public body;
- e. The supplier is not ineligible, suspended or otherwise in contravention of Chapters 71 - Financial Control and 195 - Purchasing of the City of Toronto Municipal Code.
- f. 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;
- g. the Solicitation document was advertised on Kinetic GPO internet website as part of Competitive Call process; and
- h. 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