

## **Award of Ariba Document Number 3763162663 to Crestline Coach Ltd., for the non-exclusive supply and delivery of New Ambulances for the Toronto Paramedic Services**

**Date:** November 22, 2023

**To:** General Government Committee

**From:** Chief, Toronto Paramedic Services and Chief Procurement Officer

**Wards:** All

### **SUMMARY**

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The purpose of this report is to advise of the results of Request for Quotation Ariba Document Number 3763162663 for the non-exclusive supply and delivery of new ambulances for the Toronto Paramedic Services Division and seek authority to award a contract to the lowest bidder. The total potential contract value exceeds the \$20 million limit of the Bid Award Panel to award.

The Request for Quotation Ariba Document Number 3763162663 was posted for a competitive procurement for the non-exclusive supply and delivery of new ambulances for the Toronto Paramedic Services Division, for an initial one-year term, with the option to renew the Contract for four (4) additional separate optional years at the sole discretion of the City and subject to budget approval(s). Should the optional year(s) be exercised then the Chief of Toronto Paramedic Services will request the Chief Procurement Officer to process the renewals under the same terms and conditions.

Toronto Paramedic Services' fleet experiences significant wear involving mechanical, electrical, and interior components as a result of the 24/7 nature of the division's operations. This wear has been amplified by the inability to regularly replace ambulances due to parts shortages and supply chain issues experienced during the COVID-19 pandemic.

These parts shortages and supply chain issues have now been resolved to the point where orders for new ambulances can be fulfilled by manufacturers. Therefore, Toronto Paramedic Services is requesting authorization to enter into an agreement with Crestline Coach Ltd. for the non-exclusive supply and delivery of new ambulances to replace existing vehicles, and ensure the continued safety and reliability of Toronto Paramedic Services' fleet.

## RECOMMENDATIONS

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The Chief of Toronto Paramedic Services and Chief Procurement Officer recommend that:

1. The General Government Committee, in accordance with Section 195-8.5 of Toronto Municipal Code Chapter 195 (Purchasing By-Law) authorizes the Chief, Toronto Paramedic Services to award and enter into an agreement with Crestline Coach Ltd., being the lowest bidder meeting the specifications of Request for Quotations Ariba Document Number 3763162663, for the non-exclusive supply and delivery of new ambulances, in the amount of \$73,430,567 net of all applicable taxes and charges, (\$74,722,945 net of Harmonized Sales Tax recoveries) and in accordance with the RFQ requirements.

## FINANCIAL IMPACT

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The potential contract award identified in this report for Toronto Paramedic Services including all option years is \$73,430,567 net of all applicable taxes and charges and \$82,976,540 including all applicable taxes and charges. The total potential cost to the City including all option years is \$74,722,945 net of HST recoveries.

For the initial term, funding is included in the 2023 Approved Capital Budgets and 2024-2032 Approved Capital Plans for Fleet Services and Toronto Paramedic Services. Should the City choose to exercise the option(s) to renew for an additional four (4) separate one (1) year periods, the appropriate additional funding will be requested in the 2025-2028 annual Capital and Operating Budget Submissions for Fleet Services and Toronto Paramedic Services, as part of the annual budget review process.

The cost calculations for the Option Years reflect, where required, an estimated annual 5% increase as per the Industrial Product Price Index (IPPI).

Table 1: Financial Impact Summary of Recommended Contract (Net of HST Recoveries, including 20% for miscellaneous items):

WBS Element/ GL Code	Initial Year January 1 to December 31, 2024	Option Year 1 January 1 to December 31, 2025	Option Year 2 January 1 to December 31, 2026	Option Year 3 January 1 to December 31, 2027	Option Year 4 January 1 to December 31, 2028	Total (Net of Harmonized Sales Tax Recoveries)
CFL013-XX GL3130	\$10,916,970	\$11,463,118	\$12,036,074	\$13,061,528	\$16,437,254	\$63,914,945
CAM069-XX GL3130	\$2,606,000	\$2,736,000	\$2,873,000	\$2,593,000	\$0	\$10,808,000

WBS Element/ GL Code	Initial Year January 1 to December 31, 2024	Option Year 1 January 1 to December 31, 2025	Option Year 2 January 1 to December 31, 2026	Option Year 3 January 1 to December 31, 2027	Option Year 4 January 1 to December 31, 2028	Total (Net of Harmonized Sales Tax Recoveries)
Total (Net of HST Recoveries)	\$13,522,970	\$14,199,118	\$14,909,074	\$15,654,528	\$16,437,254	\$74,722,945

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

## **DECISION HISTORY**

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At its meeting on March 15, 2017, the Bid Award Panel granted authority to Toronto Paramedic Services for the non-exclusive supply and delivery of new ambulances, which ended on August 31, 2021.

<https://secure.toronto.ca/council/agenda-item.do?item=2017.BA12.4>

## **COMMENTS**

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### **Background**

Toronto Paramedic Services' previous procurement contract for the non-exclusive supply and delivery of new ambulances ended on August 31, 2021. Due to challenges experienced during the COVID-19 pandemic, such as parts shortages and other supply chain issues, the commercial manufacturing of vehicles, including ambulance chassis, was significantly impacted.

In addition, Toronto Paramedic Services' fleet experiences significant wear involving mechanical, electrical, and interior components as a result of the 24/7 nature of the division's operations. This wear has been amplified by the inability to regularly replace ambulances due to the above-noted shortages.

Parts shortages and supply chain issues have now been resolved to the point where orders for new ambulances can be fulfilled by manufacturers. Therefore, Toronto Paramedic Services is requesting authorization to enter into an agreement with Crestline Coach Ltd. for the non-exclusive supply and delivery of new ambulances to replace existing vehicles, and ensure the continued safety and reliability of Toronto Paramedic Services' fleet.

### **Procurement Process**

The Request for Quotation Ariba Document Number 3763162663 for the non-exclusive supply and delivery of new ambulances was issued on June 8, 2023, to procure new ambulances for the Toronto Paramedic Services Division. There were three Addenda issued. The RFQ closed on August 11, 2023.

Table 2: Summary of two (2) Bids Received for Request for Quotation Ariba Document Number 3763162663, including HST on Total Base Bid Price:

Supplier Name	139" Chassis	159" Chassis	Total Combined 139" & 159" Chassis
Crestline Coach Ltd.	\$10,269,811.77	\$2,244,073.78	\$12,513,885.55
Rowland Emergency Vehicle Products	No Bid	\$2,364,694.50	\$2,364,694.50

The lowest bid including all option years meeting all specifications and requirements resulted in a total potential contract value exceeding the \$20 million limit of the Bid Award Panel to award.

## **CONTACT**

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## **SIGNATURE**

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Bikram Chawla  
Chief, Toronto Paramedic Services

Genevieve Sharkey  
Chief Procurement Officer