



BID AWARD PANEL CONTRACT AWARD

Award of Collaborative Procurement Contract from Kinetic GPO Request for Standing Offers Number 23- 15 to Sweet Pete's Bike Shop for the Supply and Delivery of Various Manual and Electric Bikes, Accessories, and Services for Various City Divisions

Date: July 25, 2024
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 23-15
Sourcing Project WS4583636647

Description:

For the non-exclusive supply and delivery of various manual and electric bikes, accessories, and services, on an as-and-when-required basis, for the City of Toronto from the date of award to March 31, 2027 with the option to renew the contract for an additional two (2) option terms of one (1) year.

Kinetic GPO is a cooperative purchasing organization established for Broader Public Sector and MASH (Municipalities, Academic Institutions, Schools, and Hospitals) entities across Canada, with the specific purpose of reducing procurement costs 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 resulting in two (2) national contracts with Sweet Pete's Bike Shop and Western Cycle for the procurement of Manual Bikes, Electric Bikes, Cargo Bikes, Performance Bikes, Bike Repair Services, and additional products, related services, and bike solutions for a period of three (3) years from April 1, 2024 to March 31, 2027 with the option to renew the contract for two (2) separate optional terms to March 31, 2029.

After reviewing this Kinetic GPO's Request for Standing Offers 23-15, Fleet Services is requesting to piggyback on this Kinetic GPO Contract with the Sweet Pete's Bike Shop.

Recommended Supplier:

Sweet Pete's Bike Shop

Contract Award Value:

\$1,829,853 net of all applicable taxes and charges

\$2,067,734 including HST and all applicable charges

\$1,862,059 net of HST recoveries

The contract is expected to start on the date of award and end on March 31, 2027

Option Year 1 – April 1, 2027 to March 31, 2028

\$773,122 net of all applicable taxes and charges

\$873,628 including HST and all applicable charges

\$786,729 net of HST recoveries

Option Year 2 – April 1, 2028 to March 31, 2029

\$881,106 net of all applicable taxes and charges

\$995,650 including HST and all applicable charges

\$896,614 net of HST recoveries

The total potential contract award including both option years is \$3,937,013 including HST and all applicable charges and \$3,484,082 net of all applicable taxes and charges.

The total potential cost to the City including both option years is \$3,545,402 net of HST recoveries.

The above cost calculations include a three percent (3%) Consumer Price Index (CPI) cost adjustment applied to each term after the initial contract term.

FINANCIAL IMPACT

The total potential contract award identified in this report including all optional years is \$3,484,082 net of all applicable taxes and charges, and \$3,937,013 including all applicable taxes and charges. The total potential cost to the City including all option years is \$3,545,402 net of HST recoveries.

Funding in the amount of \$221,540 net of HST recoveries is available in the 2024-2033 Capital Budget and Plan for Fleet Services. Additional funding will be included in the 2025 and future year Capital Budget Submissions for Fleet Services.

Funding in the amount of \$109,279 net of HST recoveries is accommodated within the overall 2024 Operating Budget for Fleet Services Division. Funding in the amount of \$567,375 net of HST recovered for the balance of the contract period will be included in 2025 and future year Operation Budget submissions for Fleet Services Division.

Should the City choose to exercise its option to renew the additional two (2) separate one (1)-year periods, then appropriate funding, if needed, will be included in the 2027 to

2029 annual Capital and Operating Budget Submissions for Fleet Services. Funding details are provided in Tables 1 and Table 2 below.

Table 1: Financial Impact Summary for Asset Procurement (Parks, Forestry and Recreation, Toronto Shelter and Support Services, Transportation Services, and Solid Waste Services), Net of HST Recoveries

Fleet Services Capital Budget CFL005, CFL008, CFL010, CFL051	Total Value
Date of Award to December 31, 2024	\$221,540
January 1, 2025 to December 31, 2025	\$368,851
January 1, 2026 to December 31, 2026	\$470,844
January 1, 2026 to March 31, 2027	\$124,170
Initial Contract Period Total	\$1,185,405
Option Year 1: April 1, 2027 to March 31, 2028	\$414,189
Option Year 2: April 1, 2028 to March 31, 2029	\$461,811
Total from Date of Award to March 31, 2029	\$2,061,405

Table 2: Financial Impact Summary for Bike Services, Net of HST Recoveries

Fleet Services Operating Budget FL100 GL 2160/4405	Total Value
Date of Award to December 31, 2024	\$109,279
January 1, 2025 to December 31, 2025	\$204,174
January 1, 2026 to December 31, 2026	\$286,380
January 1, 2027 to March 31, 2027	\$76,821
Initial Contract Period Total	\$676,654
Option Year 1: April 1, 2027 to March 31, 2028	\$372,540
Option Year 2: April 1, 2028 to March 31, 2029	\$434,803
Total from Date of Award to March 31, 2029	\$1,483,997

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: December 21, 2023

Solicitation Closed: February 16, 2024

Number of Addenda Issued: One (1)

Number of Bids: Four (4)

DIVISION CONTACTS

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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.

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 Solicitation process; 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