

Award of Ariba Document Number 4098225992 to Mid-Ontario Truck Centre for Supply and Delivery of Eight (8) Latest Model Mack Cab-Over Truck Chassis 27,448 KG (60,600 LBS) GVWR Tandem Axle, CNG Driven, Complete with 23 yd³ Automated Curbside Loading Refuse Packer Body for Fleet Services

Date: December 20, 2023

To: General Government Committee

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

Wards: All

SUMMARY

The purpose of this report is to seek authority for the Acting General Manager, Fleet Services Division to award a Blanket Contract to Mid-Ontario Truck Centre, the lowest compliant bid received as a result of Request for Quotation Ariba Document Number 4098225992 for the supply and delivery of eight (8) latest model Mack cab-over truck chassis 27,448 KG (60,600 LBS) GVWR tandem axle, complete with 23 yd³ automated curbside loading refuse packer body, for a fixed period of five (5) years from January 10, 2024 to January 9, 2029, in the amount of \$42,306,085 net of all applicable taxes and charges (\$43,050,672 net of Harmonized Sales Tax recoveries), all in accordance with the terms, conditions, and specifications contained in the Request for Quotation, Ariba and any applicable City policy.

The total potential contract value exceeds the \$20 million limit of the Bid Award Panel to award. This funding will be used to replace existing end-of-life organic waste collection trucks for the green bin program operated by the Solid Waste Management Services.

General Government Committee approval is required in accordance with Section 195-8.4 of the Toronto Municipal Code Chapter 195 (Purchasing By-law), where the current request exceeds the allowable threshold of \$20,000,000 net of all taxes and charges.

RECOMMENDATIONS

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

1. The General Government Committee to grant authority to the Acting General Manager, Fleet Services to award and enter into an agreement with Mid-Ontario Truck Centre, being the lowest bidder meeting the specifications of Request for Quotation Ariba Document Number 4098225992, for the supply and delivery of eight (8) latest model Mack cab-over truck chassis 27,448 KG (60,600 LBS) GVWR tandem axle, complete with 23 yd³ automated curbside loading refuse packer body, in the amount of \$42,306,085 net of all applicable taxes and charges (\$43,050,672 net of Harmonized Sales Tax recoveries) and in accordance with the Request for Quotation requirements.

FINANCIAL IMPACT

The total potential contract award identified in this report including all optional purchases is \$42,306,085 net of all applicable taxes and charges, and \$47,805,876 including all applicable taxes and charges. The total potential cost to the City is \$43,050,672 net of Harmonized Sales Tax recoveries.

For the mandatory purchases, funding in the amount of \$3,713,940 net of HST recoveries is available in the 2023 Approved Capital Budget and 2024 – 2032 Capital Plan of Fleet Services for CFL008. Funding in the amount of \$2,228,364 net of Harmonized Sales Tax recoveries for the balance of the first-year contract period has been requested in the 2024 Capital Budget Submission of Fleet Services Division as part of the annual budget review process.

Should the City choose to exercise the option to purchase the additional units, then appropriate additional funding, if needed, will be included in the 2024-2029 Capital Budget of Fleet Services Division. Funding details follow in Table 1.

Table 1: Financial Impact Summary of Recommended Blanket Contract (Net of Harmonized Sales Tax Recoveries)

Fleet Services Capital Budget (net of Harmonized Sales Tax recoveries): Account: CFL008		
Initial Term from January 10, 2024 to January 9, 2025	8 units	\$5,942,304
Initial Term from January 10, 2024 to January 9, 2025	Optional 23 units	\$17,084,123
Initial Term from January 10, 2025 to January 9, 2026	Optional 5 units	\$3,899,637
Initial Term from January 10, 2026 to January 9, 2027	Optional 1 unit	\$818,924
Initial Term from January 10, 2027 to January 9, 2028	Optional 1 unit	\$859,870

Fleet Services Capital Budget (net of Harmonized Sales Tax recoveries): Account: CFL008		
Initial Term from January 10, 2028 to January 9, 2029	Optional 16 units	\$14,445,814
Total Potential Contract Value from January 10, 2024 to January 9, 2029		\$43,050,672

The above cost calculations reflect a 5% Consumer Price Index adjustment applied annually to subsequent years cost after the initial one (1)-year period from January 10, 2024 to January 9, 2025.

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

DECISION HISTORY

At its meeting on October 18, 2017, Bid Award Panel granted authority to General Manager, Fleet Services Division and item BA46.8 was adopted without amendment for Award of Request for Quotation 6114-17-0259 to FST Canada Inc. operating as Joe Johnson Equipment for Twenty-Six (26) Latest Model, Cab-Over Truck Chassis with Side Loading Packer Body, which ended on November 30, 2021.

[Agenda Item History - 2017.BA46.8 \(toronto.ca\)](#)

COMMENTS

Background:

Fleet Service Division previous procurement contract with FST Canada Inc. operating as Joe Johnson Equipment for the non-exclusive supply and delivery of new organic waste collection truck ended on November 30, 2021. Therefore, Fleet Services Division is requesting authorization to enter into agreement with Mid-Ontario Truck Center for non-exclusive supply and delivery of new waste collection truck to replace existing end-of-life organic waste collection trucks.

Procurement Process:

The Request for Quotation Ariba Document Number 4098225992, for the supply and delivery of eight (8) latest model CNG 23 yd³ automated side loading refuse trucks was issued on August 9, 2023 for the Fleet Services Division. There were six (6) Addenda issued. The Request for Quotation closed on October 11, 2023.

Table 2: Summary of four (4) Bids Received for Request for Quotation Ariba Document Number 4098225992, excluding Harmonized Sales Tax on Total Base Bid Price:

Supplier Name	Bid Price (excluding H.S.T.)*
Avery Weigh-Tronix operating as ITW	\$0**
Mid-Ontario Truck Centre	\$5,839,528
City View Specialty Vehicles Inc. operating as CityView Bus Sales and Services Limited	\$6,006,392
Metro Truck Group Inc. operating as Metro Freightliner Hamilton Inc.	\$6,175,341

*Bid Price is for eight (8) units without options.

**Supplier was found non-compliant with mandatory submission requirements.

The lowest compliant bid 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

Clarman Yang, Acting Manager, Purchasing Client Services, Purchasing and Materials Management, 416-392-1302, Clarman.Yang@toronto.ca

Kiran Panchal, Fleet Manager, Asset Management, Fleet Services, 416-397-4258, Kiran.Panchal@toronto.ca

SIGNATURE

Vukadin Lalovic
Acting General Manager, Fleet Services

Geneviève Sharkey
Chief Procurement Officer