



BID AWARD PANEL CONTRACT AWARD

Award of Sourcewell Solicitation Number 011723-CNH-1 to Nors Construction Equipment Canada ST, LP for Fifty-Two (52) Various Case Heavy Construction Equipment with Related Accessories, Attachments and Supplies for Fleet Services

Date: January 9, 2025
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:

Sourcewell Request for Proposal Number 011723-CNH-1
Sourcing Project WS4655924447

Description:

For the non-exclusive supply and delivery of Fifteen (15) various diesel powered heavy construction equipment with related accessories and attachments in 2025, with an option to purchase additional Seventeen (17) units in 2025, Six (6) units in 2026, pending budget availability.

Should the option year renewal be extended by Sourcewell for the final year, Fleet Services may purchase Fourteen (14) units in 2028. This contract is for twenty-eight (28) months, with the option to extend the contract to one (1) additional one-year term under the same terms and conditions from the date of award.

Recommended Supplier:

Nors Construction Equipment Canada ST, LP (formerly Strongco Limited Partnership)

Contract Award Value:

\$11,732,533 net of all applicable taxes and charges
\$13,257,762 including HST and all applicable charges
\$11,939,025 net of HST recoveries

Contract is expected to start on date of award and end on April 14, 2027.

Option Year 1 (April 15, 2027 to April 14, 2028)
\$5,693,336 net of all applicable taxes and charges
\$6,433,469 including HST and all applicable charges
\$5,793,538 net of HST recoveries

The total potential contract award including option year is \$19,691,231 including HST and all applicable charges and \$17,425,869 net of all applicable taxes and charges. **The total potential cost to the City, including option year, is \$17,732,563 net of HST recoveries.**

FINANCIAL IMPACT

The total potential contract award identified in this report including option year is \$19,691,231 including all applicable taxes and charges. The total potential cost to the City including option year is \$17,732,563 net of HST recoveries.

Funding for the mandatory 15 units (\$5,829,978 net of HST recoveries) is available in the 2024-2033 Capital Budget and Plan for Fleet Services. Funding for the non-mandatory 23 units (\$6,109,047 net of HST recoveries) has been included in the 2025-2034 Capital Budget and Plan Submission for Fleet Services and subject to budget availability. Should the option year be exercised, additional funding will be requested in the 2027-2028 Capital Budget Submissions for Fleet Services. Additional funding details follow in Table 1.

Table 1: Financial Impact Summary of Recommended Contract (Net of HST Recoveries)

Fleet Services Capital Budget CFL005, CFL008, CFL010, CFL038, CFL014	Estimated Number of Units	Total Value
Initial Term: Date of Award to April 14, 2025	15	\$5,829,978
Initial Term: April 15, 2025 to April 14, 2026	17	\$3,903,335
Initial Term: April 15, 2026 to April 14, 2027	6	\$2,205,712
Initial Contract Period Total	38	\$11,939,025
Option Year 1: April 15, 2027 to April 14, 2028	14	\$5,793,538
Total from Date of Award to April 14, 2028	52	\$17,732,563

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

Year	2025	2026	2027	2028	Total
Contract Amount (\$)	\$5,829,978	\$3,903,335	\$2,205,712	\$5,793,538	\$17,732,563

The Chief Financial Officer and Treasurer has been advised of the award associated with this program to be considered along with other priorities in future budget processes.

SOLICITATION SUMMARY

Solicitation Issued: November 15, 2022

Solicitation Closed: January 17, 2023

Number of Addenda Issued: Five (5)

Number of Bids: Eighteen (18)

DIVISION CONTACTS

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

COMMENTS

The City of Toronto is utilizing the Sourcwell Contract for the recommended award, as per the Toronto Municipal Code, Chapter 195-6.6. Procurement of the 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 Supplier with the lowest bid meeting specifications or 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 Sourcwell 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 Sourcewell internet website as part of the Competitive Solicitation 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