

Non-Competitive Contract with G.C. Duke Equipment Limited for the Provision of Proprietary Original Equipment Manufacturer Parts and Service for Parks and Recreation

Date: April 28, 2025

To: General Government Committee

From: General Manager, Parks and Recreation and Chief Procurement Officer

Wards: All

SUMMARY

The purpose of this report is to request authority to enter into a non-competitive contract with G.C. Duke Equipment Limited (operating as "G.C. Duke"), being the only authorized dealer in Ontario for the supply of proprietary Original Equipment Manufacturer parts and service for Ransomes Jacobsen and Cushman machines, in the amount of \$854,771 net of Harmonized Sales Tax (\$869,815 net of Harmonized Sales Tax recoveries) for an initial period of one year, commencing on August 1, 2025 to July 31, 2026, with four separate one option years.

Mowers are acquired by Fleet Services and are sourced through a competitive solicitation process. Parks and Recreation's Small Engine Mechanics maintain the equipment and must use Original Equipment Manufacturer parts to ensure the manufacturer's warranty for the mowers remains valid. This contract will ensure the continued operation of all golf courses and parks operated and maintained by the City of Toronto.

RECOMMENDATIONS

The General Manager, Parks and Recreation and Chief Procurement Officer recommend that:

City Council, in accordance with Municipal Code Chapter 195- Purchasing, where the current request exceeds the Chief Procurement Officer's authority of the cumulative five-year commitment for each supplier, under Article 7, Section 195-7.3 (D) of the Purchasing By-Law or exceeds the threshold of \$500,000 net of HST allowed under staff authority as per the Toronto Municipal Code, Chapter 71- Financial Control, Section 71-11A, grant authority to the General Manager, Parks and Recreation to

negotiate and sign on behalf of the City a non-competitive agreement with G.C. Duke Equipment Limited for the supply, delivery, and warranty of proprietary Original Equipment Manufacturer parts and services for Ransomes Jacobsen and Cushman machines in the amount of \$854,771 net of Harmonized Sales Tax (\$869,815 net of Harmonized Sales Tax recoveries) for an initial period of one year, commencing on August 1, 2025 to July 31, 2026, with four separate one option years.

FINANCIAL IMPACT

The total potential amount of the proposed contract including all years identified in this report is \$854,771 net of Harmonized Sales Tax. The total estimated cost to the City is \$869,815 net of Harmonized Sales Tax recoveries.

Funding in the amount of \$80,500 net of Harmonized Sales Tax recoveries, is included in the 2025 Staff-Prepared Operating Budget for Parks and Recreation under cost centre grouping for Parks and Recreation Equipment Maintenance (PR010-11.114) and various cost elements. The additional funding in the amounts detailed in the table below will be requested in the 2026 to 2030 Operating Budget submissions for Parks and Recreation under cost centre Facility Operations and Parks and Recreation Equipment Maintenance (PR010-11.114) and various cost elements.

Year	Cost Element	Cost Centre	Total Net of HST Recoveries
August 1, 2025 to December 31, 2025	2120, 2135 3010, 3015	PR-PKS	\$81,917
January 1, 2026 to July 31, 2026	3140, 4401		\$83,146
2026 - 2027 (Option Year 1)	4403, 4405		\$168,785
2027 - 2028 (Option Year 2)	4412, 4520		\$173,849
2028 - 2029 (Option Year 3)			\$179,064
2029 - 2030 (Option Year 4)			\$183,054
TOTAL			\$869,815

The Chief Financial Officer and Treasurer has reviewed this report and agrees with the financial impact information.

DECISION HISTORY

At its meeting on December 3, 2015, Bid Committee approved Blanket Contract 47019580 (Request for Quotation Number 6001-15-3180). The contract was awarded to G.C. Duke Equipment Limited.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2015.BD59.4>

At its meeting on August 31, 2020, City Council approved Blanket Contract 47023130. The contract was awarded to G.C. Duke Equipment Limited.
<https://secure.toronto.ca/council/agenda-item.do?item=2020.GL14.17>

COMMENTS

The parts and specialized services for the equipment manufacturers outlined in this report cannot be obtained through the competitive procurement process and the required non-competitive contract meets the criteria of the exception code 2, Exclusive Rights in the Purchasing By-law.

It has been determined through research and documentation confirming that G.C. Duke Equipment Limited is the sole authorized dealer in Ontario for the supply of proprietary Original Equipment Manufacturer parts and service for Ransomes Jacobsen and Cushman machines that this supplier is the only authorized dealer in Ontario to provide the parts and service required for Parks and Recreation operations.

This non-competitive contract includes the supply of all Original Equipment Manufacturer labour, materials, and equipment necessary to provide warranty and non-warranty services for the City of Toronto's Parks and Recreation, all in accordance with the provisions and specifications that will be contained in the Legal Agreement.

There are approximately 50 various-sized Ransomes Jacobsen and Cushman mowers in circulation, many procured by Fleet Services as recently as 2019. The mowers are required to be in operational condition to maintain City of Toronto parks and golf courses.

The life expectancy of 10 years and the replacement cost of a mower can be in excess of \$120,000, which means this equipment must be maintained with Original Equipment Manufacturer parts that will ensure the warranty remains valid on this equipment. The Original Equipment Manufacturer has confirmed in writing that the parts and services for Ransomes Jacobsen and Cushman equipment are proprietary to the authorized dealer, G.C. Duke Equipment Limited, for the entire province of Ontario, which includes the Greater Toronto Area.

Parks and Recreation has reviewed the pricing and confirmed it is comparable to historical rates, current market, and other municipalities.

Pricing is based on 10 per cent off Manufacturer Suggested Retail Price on various Original Equipment Manufacturer parts. Original Equipment Manufacturer parts marked as "SP", have already been discounted and no additional discounts will be applied.

Included in the decision to accept any option year(s) of the Contract, is a price adjustment applied to hourly rates only, annually effective applied after the Contract's end date in accordance with the annual Consumer Price Index, (Consumer Price Index-All Items-Toronto) for a 12-month period, using the most current Consumer Price Index released month at the time of the first option year renewal.

All subsequent option year renewals will be evaluated using the same Consumer Price Index release month exercised during option year one of the new year being exercised. All terms and conditions of the Contract shall remain the same and continue during the extended Term.

The Fair Wage Office has reported that G.C. Duke Equipment Limited has indicated that it has reviewed and understands the Fair Wage Policy and Labour Trades requirements and has agreed to comply fully.

CONTACT

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SIGNATURE

Howie Dayton,
General Manager, Parks and Recreation

Geneviève Sharkey,
Chief Procurement Officer