



Report to: General Committee

Meeting Date: March 10, 2016

SUBJECT: Award of Tender 286-T-15 Supply and Delivery of Seventeen (17) Various Vehicles

PREPARED BY: Laurie Canning, Manager, Fleet & Supplies, Ext. 4896
Patti Malone, Senior Buyer, Ext. 2239

RECOMMENDATION:

- 1) That the report entitled "Award of Tender 286-T-15 Supply and Delivery of Seventeen (17) Various Vehicles" be received;
- 2) And That the contract for supply and delivery of various vehicles awarded to the lowest priced bidders for each respective vehicle in the following amounts;

➤ East Court Ford Lincoln	\$223,049.77
➤ Pine View Auto Sales Inc.	\$ 49,862.40
➤ Airport Nissan Corp.	\$ 85,478.40
➤ Highland Chevrolet Buick GMC Cadillac Ltd.	<u>\$ 82,481.01</u>
➤ Total Award Inclusive of HST	\$440,871.58
- 3) And that the Manager of Fleet and Supplies be authorized to "Markhamize" the vehicles in the amount of \$29,400.00;
- 4) And That the award of \$440,871.58 and "Markhamizing" cost of \$29,400.00, totaling \$470,271.58 be funded from the various accounts as identified within the Financial Considerations section of this report with available budget of \$421,164.29;
- 5) And that the net shortfall in the amount of \$49,107.29 (\$470,271.58-\$421,164.29) be funded from the Waterworks Capital Contingency in the amount of \$50,458.13 and the remaining surplus amount of \$1,350.84 be returned to the original funding source;
- 6) And that upon delivery of the new vehicles, the following 17 units: Units 1244, 1245, 2166, 2167, 2168, 2172, 2176, 2177, 2179, 2188, 2198, 6080, 8050, 8051, 8052, 9090 and 9095 will be sold upon delivery of the new units in accordance with Purchasing By-law 2004-341, PART V Disposal of Personal Property and proceeds will be posted to account 890 890 9305 (proceeds from the Sale of Other Fixed Assets).
- 7) That Staff be authorized and directed to do all things necessary to give effect to this resolution.

PURPOSE:

To obtain approval to award the contract for the supply and delivery of seventeen (17) vehicles of various types.

BACKGROUND:

This tender was issued in accordance with the Purchasing By-law for a total of seventeen (17) various vehicles. The Tender allowed dealers to submit pricing for 2015 or 2016 model years and demo vehicles with less than 10,000 kms in order to attain the best possible price.

All units identified for replacement in this report have had condition assessment completed by Fleet staff and meet the fleet replacement life cycle of 8 years as identified in the Corporate Fleet Policy for the respective unit type/class.

BID INFORMATION

Advertised	ETN
Bid closed on	February 11, 2016
Number picking up document	38
Number responding to bid	10

PRICE SUMMARY (Inclusive of HST)**ITEM # 1****Eight (8) Full Size Cargo Van****(units 2167, 2168, 2172, 2179, 2188, 2198, 2177, and 2176)**

Dealer	Unit cost	Qty	Extended Price	Vehicle Type
East Court Ford Lincoln	\$ 27,881.22	8	\$ 223,049.77	2016 Ford Transit
Blue Mountain Chrysler Ltd.	\$ 31,473.35	8	\$ 251,786.80	2016 Dodge Promaster

ITEM # 2**Two (2) Toyota Camry Hybrid****(units 9090 and 9095)**

Dealer	Unit cost	Qty	Extended Price	Vehicle Type
Pine View Auto Sales Inc.	\$24,931.20	2	\$49,862.40	2016 Toyota Camry Hybrid
Don Valley North Toyota	\$26,441.29	2	\$52,882.58	2016 Toyota Camry Hybrid
George Schon Motors Ltd.	\$26,983.91	2	\$53,967.81	2016 Toyota Camry Hybrid
Scarborough Toyota	\$27,072.33	2	\$54,144.66	2016 Toyota Camry Hybrid
Parkway Motors Hamilton O/A Redhill Toyota	\$27,929.51	2	\$55,859.02	2016 Toyota Camry Hybrid

ITEM # 3**Four (4) Midsize extended cab pickup truck****(units 6080, 8050, 8051 and 8052)**

Dealer	Unit cost	Qty	Extended Price	Vehicle Type
Airport Nissan Corp.	\$21,369.60	4	\$85,478.40	2016 Nissan Frontier
Guelph Nissan Infiniti Inc.	\$21,611.03	4	\$86,444.10	2016 Nissan Frontier
Parkway Motors Hamilton O/A Parkway Nissan	\$21,650.92	4	\$86,603.66	2016 Nissan Frontier
Don Valley North Toyota	\$27,034.55	4	\$108,138.19	2016 Toyota Tacoma
George Schon Motors Ltd.	\$27,213.88	4	\$108,855.52	2016 Toyota Tacoma
Scarborough Toyota	\$27,302.31	4	\$109,209.24	2016 Toyota Tacoma
Parkway Motors Hamilton O/A Redhill Toyota	\$28,065.23	4	\$112,260.90	2016 Toyota Tacoma

ITEM # 4**Three (3) 1/2 Ton Full Size Regular Cab Pickup
(units 2166, 1244 and 1245)**

Dealer	Unit cost	Qty	Extended Price	Vehicle Type
Highland Chevrolet Buick GMC Cadilar Ltd.	\$27,493.67	3	\$82,481.01	2016 Chevrolet Silverado
Don Valley North Toyota	\$28,597.58	3	\$85,792.75	2016 Toyota Tundra
George Schon Motors Ltd.	\$28,626.31	3	\$85,878.93	2016 Toyota Tundra
Scarborough Toyota	\$28,714.74	3	\$86,144.22	2016 Toyota Tundra
Blue Mountain Chrysler Ltd.	\$32,712.79	3	\$98,138.36	2016 Chevrolet Silverado

FINANCIAL CONSIDERATIONS AND TEMPLATE:

Project & Description	Unit # being replaced	Model ID	Budget allocation	Cost of the Award (Incl. HST)	Budget Remaining	Markhamizing Costs	Budget Remaining after Markhamizing
ITEM 1 2016 Waterworks Fleet Replacement 057-6150-16185-005	2167/2168/ 2172/2179/ 2188/2198	Ford Transit cargo van 4 X 2, 6 cylinders, automatic	149,448.81	167,287.32	(17,838.52)	15,600.00	(33,438.52)
ITEM 1 2015 Waterworks Fleet Replacement 057-6150-15246-005	2177/2176	Ford Transit cargo van 4 X 2, 6 cylinders, automatic	49,357.67	55,762.44	(6,404.77)	5,200.00	(11,604.77)
ITEM 4 2016 Waterworks Fleet Replacement 057-6150-16185-005	2166	Full size regular cab pickup 4 X 4, 8 cylinder automatic, 8 foot box	24,678.84	27,493.67	(2,814.83)	2,600.00	(5,414.83)
Total Waterworks Fleet Replacement			223,485.31	250,543.44	(27,058.13)	23,400.00	(50,458.13)
ITEM 2 2016 Corp Fleet Replacement Program - Fire 057-6150-16181-005	9090/9095	Camry Hybrid	54,724.49	49,862.40	4,862.09	2,000.00	2,862.09
ITEM 3 2016 Corp Fleet Replacement Program - Non-Fire 057-6150-16182-005	6080/8050/ 8051/8052	Nissan Frontier SV midsize extended cab pickup truck 4 x 2 V4 or Toyota Tacoma	87,375.21	85,478.40	1,896.81	2,000.00	(103.19)
ITEM 4 2016 Corp Fleet Replacement Program - Non-Fire 057-6150-16182-005	1244/1245	Full size regular cab pickup 4 X 4, 8 cylinder automatic, 8 foot box	55,579.28	54,987.34	591.94	2,000.00	(1,408.06)
Total Corporate Fleet Replacement (excluding Waterworks)			197,678.98	190,328.14	7,350.84	6,000.00	1,350.84
Total			421,164.29	440,871.58	(19,707.29)	29,400.00	(49,107.29)

Markhamizing costs include items such as graphics (Markham logo), lighting, shelving / racking, fire extinguishers, first aid kit, and corrosion protection

Item # 1

Full size cargo vans have gone through a transformation to a new European design. These vans have evolved to unibodys vs body on truck frames. These new designed vans are lighter, and they provide better fuel economy, payload, safety features and cargo capacity, however this design change has increased the cost of the full size cargo van models.

Due to the budget shortfall, Staff contacted the City's rental company to determine if it is feasible to purchase used rental vehicles. The rental company had 2015 full size cargo vans that had been used for one rental season, however, the price was \$100 per unit higher than the unit cost of a new 2016 Ford Transit as recommended under this award.

Summary

The award of \$440,871.58 for the replacement of 17 vehicles and the associated "Markhamizing" cost of \$29,400.00, totaling \$470,271.58 will be funded from the

various accounts as identified within the Financial Considerations section of this report with available budget of \$421,164.29.

The net shortfall in the amount of \$49,107.29 (\$470,271.58-\$421,164.29) will be funded from the Waterworks Capital Contingency in the amount of \$50,458.13 and the remaining surplus amount of \$1,350.84 will be returned to the original funding source.

HUMAN RESOURCES CONSIDERATIONS

Not Applicable

ALIGNMENT WITH STRATEGIC PRIORITIES:

Not Applicable

BUSINESS UNITS CONSULTED AND AFFECTED:

Not Applicable

RECOMMENDED BY:

24/03/2016


X

Barb Rabicki
Director, Operations

3/22/2016


X

Brenda Librecz
Commissioner, Community & Fire Services