

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF MAY 19, 2015

Item 4, Report No. 9, of the Finance, Administration and Audit Committee, which was adopted without amendment by the Council of the City of Vaughan on May 19, 2015.

**4 BUDGET AMENDMENT AND AWARD OF TENDER T15-033 –
SUPPLY AND DELIVERY OF FOUR (4) TEN FOOT MOWERS**

The Finance, Administration and Audit Committee recommends approval of the recommendation contained in the following report of the Acting Commissioner of Strategic and Corporate Services and the Manager of Fleet Management Services, dated May 4, 2015:

Recommendation

The Acting Commissioner of Strategic and Corporate Services and the Manager of Fleet Management Services, in consultation with the Director of Purchasing Services and the Director of Financial Planning & Analytics, recommend:

1. That Tender T15-033 - Supply and Delivery of Four (4) Ten Foot Mowers be awarded to G.C. Duke Equipment Ltd. in the amount of \$194,560.00 plus applicable taxes;
2. That award for the four (4) ten foot mowers, including any applicable taxes and administration recovery, be funded from the following approved capital projects: FL-5230-14 PKS Replace 1335 with 10ft outfront rotary mower, FL-5342-14 Replace 1478 with 10' winged rotary mower, FL-5343-14 Replace 1479 with 10' winged rotary mower, and FL-5344-14 PKS Replace 1560 with 10' winged rotary mower, and the following budget amendment resulting in an overall budget increase of \$18,374 be approved:
 - a. FL-5230-14 be increased by \$4,630.95, and funded from the Vehicle Replacement Reserve;
 - b. FL-5342-14 be increased by \$4,580.95 and funded from the Vehicle Replacement Reserve;
 - c. FL-5343-14 be increased by \$4,580.95 and funded from the Vehicle Replacement Reserve;
 - d. FL-5344-14 be increased by \$4,580.95 and funded from the Vehicle Replacement Reserve;
3. That the inclusion of this matter on a Public Committee or Council agenda with respect to increasing the capital budgets for FL-5230-14, FL-5342-14, FL-5343-14 and FL-5344-14 is deemed sufficient notice pursuant to Section 2(1)(c) of By-Law 394-2002 as amended; and
4. That the Mayor and City Clerk be authorized to sign the necessary documents.

Contribution to Sustainability

N/A

Economic Impact

The funding is from the approved capital projects FL-5230-14, FL-5342-14, FL-5343-14, and FL-5344-14. Budget amendment is outlined in item 2 in Recommendation.

Communications Plan

All bidders will be notified of the City's decision to award G.C.Duke Equipment Ltd. through the Purchasing Services Department, in accordance with standard procedure.

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Purpose

The purpose of this report is to recommend that Tender T15-033 Supply and Delivery of Four (4) Ten Foot Mowers be awarded to G. C. Duke Equipment Ltd. in the amount of \$194,560.00 plus applicable taxes and that the capital project budgets for FL-5230-14, FL-5342-14, FL-5343-14 and FL-5344-14 be amended by a total of \$18,373.78 to cover a budget shortfall.

Background - Analysis and Options

Purchasing Services advertised T15-033 on Biddingo, OPBA and City's Bids and Tenders Website on March 3, 2015 with a closing date of March 18, 2015. Five (5) Plan Takers downloaded/picked up the document and three (3) bids from the following companies were received:

Company	Bid Amount (Excluding Taxes)
G.C. Duke Equipment Ltd.	\$194,560.00
Green Tractors Inc.	\$205,928.00
Turf Care Products Canada Limited	\$246,800.00

Staff have reviewed the bids for mathematical errors and are satisfied the lowest bidder meets the specifications.

Based on the lowest bid received, there is a budget shortfall totaling \$18,373.78. This shortfall can be funded from the Vehicle Replacement Reserve. Funding for the 4 (four) units is illustrated in the following table, comprised of approved capital projects and budget amendments:

	FL-5230-14	FL-5342-14	FL-5343-14	FL-5344-14	Total
Approved Budget	46,350.00	46,400.00	46,400.00	46,400.00	185,550.00
Award	48,640.00	48,640.00	48,640.00	48,640.00	194,560.00
HST @ 1.76%	856.06	856.06	856.06	856.06	3,424.26
Administration Recovery	1,484.88	1,484.88	1,484.88	1,484.88	5,939.53
Total Funds Required	50,980.95	50,980.95	50,980.95	50,980.95	203,923.78
Budget Shortfall	(4,630.95)	(4,580.95)	(4,580.95)	(4,580.95)	(18,373.78)

The budget shortfall is mainly due to the impact of the recent deterioration in the CAD to US exchange rate. Mower parts that are sourced from the US have become more expensive for Canadian vendors, which have translated into increased product costs.

Relationship to Vaughan Vision 2020/Strategic Plan

The purchase of goods and service meets the following Vaughan Vision 2020 Goals and Themes:

Goal: Service Excellence
Theme: Demonstrate Excellence in Service Delivery - by ensuring resources are in place to allow staff to consistently achieve excellent customer service levels.

Goal: Organizational Excellence
Theme: Manage Corporate Assets – by enhancing productivity, cost effectiveness and innovation and to ensuring financial stability.

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Regional Implications

N/A

Conclusion

It is recommended that G.C. Duke Equipment Ltd. be awarded Tender T15-033 - Supply and Delivery of Four (4) Ten Foot Mowers in the amount of \$194,560.00 plus applicable taxes.

Attachments

N/A

Report prepared by:

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