

Section I – Items for Authority Action

TO: Chair and Members of the Executive Committee
Meeting #5/18, Friday, July 06, 2018

FROM: Nick Saccone, Senior Director, Restoration and Infrastructure

RE: **RENTAL OF CONSTRUCTION EQUIPMENT**
Vendor of Record Contract #10007626

KEY ISSUE

Award of contract #10007626 for rental of construction equipment from August 1st, 2018 to July 31th, 2019.

RECOMMENDATION

WHEREAS Toronto and Region Conservation Authority (TRCA) is engaged in a variety of environmental initiatives that require the rental of small and specialty construction equipment;

AND WHEREAS on May 10, 2018, TRCA issued a Request for Proposal for a Vendor of Record for Rental of Construction Equipment through a publicly advertised process and evaluated the bids based on organizational experience and servicing locations, maintenance and repair policy, and cost;

THEREFORE LET IT BE RESOLVED THAT TRCA establish a Vendors of Record (VOR) arrangement with five (5) suppliers for a contract value of less than \$75,000 per occurrence, for a one year period, with the option to extend the contract for an additional period of 12 months, upon written notification by TRCA;

AND FURTHER THAT authorized TRCA officials be directed to take such action as is necessary to implement the contract, including obtaining any required approvals and the signing and execution of any documents.

BACKGROUND

TRCA implements numerous habitat restoration, engineering, and trail building projects throughout TRCA's jurisdiction. The implementation of these initiatives requires the rental of small and specialty construction equipment to be operated by TRCA staff. The types of construction equipment include, but are not limited to, backhoes, excavators, skid steers, wheel loaders, dozers, ride-on-vibratory rollers, air compressors, generators, pumps, wood chippers, and various hand equipment.

In previous years, construction services staff would undertake multiple procurement processes to source construction equipment for various projects. To improve efficiencies and assist staff during peak construction season, TRCA is establishing a Vendors of Record list for rental of small and specialty construction equipment for up to \$75,000 per occurrence. Extended rental periods that would exceed this threshold are subject to TRCA's Purchasing Policy and procurement procedures. The establishment of this VOR will help to ensure that the required equipment will be available when needed, at a competitive price, while reducing procurement costs.

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RATIONALE

Request for Proposal (RFP) documents were publicly advertised on the electronic procurement website *Biddingo* (<http://www.biddingo.com/>) on Thursday, May 10, 2018. A number of suppliers that TRCA has worked with in the past were notified via email that the opportunity was advertised online.

The proposal provided specifications and estimated quantities for 139 different types of construction equipment, including generators, pumps, power hand tools, earth moving equipment and elevated platforms. Suppliers were requested to provide fixed unit pricing for daily, weekly and monthly rental periods, including a separate cost for delivery. The Request for Proposal notified proponents that the top five (5) highest ranked suppliers would be selected for the Vendor of Record list.

A total of seven (7) proposals were submitted and publicly opened on May 25, 2018 by Ron Ofer, Anita Geier, and Leena Eappen. Members of the evaluation committee, consisting of TRCA staff Ryan Bolton, Valerie Schuller, and Adrian Pressacco reviewed the submissions and evaluated them based on organizational experience and servicing locations, maintenance and repair policy, and rates. Full points were given to all qualified proponents under the first two categories for having sufficient company expertise and locations to serve TRCA in a timely manner, and a robust maintenance and repair policy. The proposal rates were categorized by type of equipment and then ranked based on average lowest prices. The ranking for each proponent was used in a ratio formula to calculate the total rate percentages. The results of the evaluation are as follows:

Company	Organizational Experience and Servicing Locations (20%)	Maintenance and Repair Policy (20%)	Rates (60%)	Overall Rank
Cooper Equipment Rentals	20%	20%	60%	1 (tie)
Sunbelt Rentals Canada	20%	20%	60%	1 (tie)
United Rentals	20%	20%	48%	2
Hertz Equipment Rental	20%	20%	43%	3
Battlefield Equipment Rentals	20%	20%	37%	4
Hub Equipment	20%	20%	25%	5
Stephenson's Rental Services	Disqualified (required documents were not submitted as per RFP)			

Therefore, staff recommends that the award of Contract #10007626 be awarded to Cooper Equipment Rentals, Sunbelt Rentals Canada, United Rentals, Hertz Equipment Rental, and Battlefield Equipment Rentals, they being the top five (5) highest ranked vendors that best meet TRCA's requirements. TRCA staff are to rent on a project basis from the supplier from this list with the lowest total price for the equipment needed and if the equipment is not available then contact the next company that has the lowest price.

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FINANCIAL DETAILS

The total value of this contract is estimated to be \$300,000 based on a review of projects scheduled for implementation during the first year of the contract period and a review of equipment rentals requested in previous years. An increase or decrease in workload will have an impact on the value of this contract. The suppliers understand the potential cost and resource implications associated with changes in workload. Rental equipment will be supplied on an “as required” basis with no minimum quantities guaranteed.

Funds required for the contract are identified in TRCA’s 2018 and 2019 capital budgets.

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