



CITY OF HAMILTON

CORPORATE SERVICES DEPARTMENT *Treasury Services Division*

TO: Chair and Members Audit, Finance and Administration Committee	WARD(S) AFFECTED: CITY WIDE
COMMITTEE DATE: October 5, 2011	
SUBJECT/REPORT NO: Award of Contract C12-06-11 Inventory Management & Supply of Windshield Washer Fluid (FCS11081) (City Wide)	
SUBMITTED BY: Antonio D. Tollis Treasurer Corporate Services Department	PREPARED BY: Rick Male ext 4157
SIGNATURE:	

RECOMMENDATION

That Request for Tenders C12-06-11 for Inventory Management & Supply of Windshield Washer Fluid be awarded to the lowest compliant bid Vulsay Industries Ltd., with an estimated annual expenditure of \$25,700.

EXECUTIVE SUMMARY

The City of Hamilton Pubic Works (Fleet Services and Transit), Hamilton Police Services and Emergency Services were seeking bids for inventory management and supply of windshield washer fluid at various City of Hamilton locations. The Successful Bidder will be required to provide regularly scheduled inspections of the locations to insure sufficient product availability at all times.

The City of Hamilton has a large fleet of vehicles which require this product, at multiple locations thought the City.

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Bidders were required to provide fixed unit pricing for various types of windshield washer fluid.

The term of the contract is for one year with the option to renew for an additional three one year terms.

Bid Submission Results

C12-06-11 Inventory Management and Supply of Windshield Washer Fluid	
Company Name	Total Contract Price
Vulsay Industries Ltd.	\$25,692.91
Barton Auto Parts Ltd.	\$26,289.08
Wajax Power Systems	\$30,486.27

Prices quoted will remain fixed for the initial term and any subsequent renewal terms if exercised by the City.

Alternatives for Consideration –Not Applicable

FINANCIAL / STAFFING / LEGAL IMPLICATIONS (for Recommendation(s) only)

Financial:

This is the first combined Corporate Contract for windshield washer fluid. By combining various City departments' service requirements, the City will maximize volume discounts offered by service providers

Staffing:

None.

Legal:

None.

HISTORICAL BACKGROUND (Chronology of events)

The Requests for Tenders C12-06-11 was issued on June 23, 2011 and closed on Tuesday, July 19, 2011. There were five plan takers who secured the document and three compliant submissions were received.

The award of the contract is being recommended to the compliant bidder with the lowest total contract price. The actual value of the contact will depend on the actual quantity of product supplied.

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POLICY IMPLICATIONS

As per Purchasing Policy, Section 4.4, Policy 4 - Approval Authority, item 4(b), approval is required for the award of Corporate Contracts.

RELEVANT CONSULTATION

Client departments consulted were: Public Works (Fleet Services and Transit), Emergency Services, and Hamilton Police Services.

ANALYSIS / RATIONALE FOR RECOMMENDATION

(include Performance Measurement/Benchmarking Data, if applicable)

The City benefits from discounted volume based pricing when a Corporate Contract is issued versus each individual department securing prices on their own for similar services. Management of the procurement of all these services is simplified when dealing with one vendor versus multiple vendors.

ALTERNATIVES FOR CONSIDERATION

(include Financial, Staffing, Legal and Policy Implications and pros and cons for each alternative)

The alternative method would be to secure competitive bids for each department; which would result in the duplication of effort and the City would not realize any cost savings that is achieved by volume discounts.

CORPORATE STRATEGIC PLAN (Linkage to Desired End Results)

Focus Areas: 1. Skilled, Innovative and Respectful Organization, 2. Financial Sustainability,
3. Intergovernmental Relationships, 4. Growing Our Economy, 5. Social Development,
6. Environmental Stewardship, 7. Healthy Community

N/A.

APPENDICES / SCHEDULES

N/A.