SUBJECT: Award of Corporate Tender C12-08-09 Supply and Delivery of Various Sod (FCS09048) (City Wide)

RECOMMENDATION:

That the Corporate Tender C12-08-09 for the Supply and Delivery of Various Sod be awarded to the lowest compliant Bidder(s) as follows:

Part 1 - Delivered Pricing to be awarded to A. Linde Sod Farms Ltd. for an estimated 5 year total of $55,300.00;

Part 2 – Pick Up Pricing to be awarded to A. Linde Sod Farms Ltd. and Greenhorizons Group of Farms on an as required basis.

EXECUTIVE SUMMARY:

This is a Corporate Tender for the Supply and Delivery of Various Sod which is utilized primarily by the Parks and Cemeteries, Forestry and Horticulture, Roads, Water and Wastewater Divisions of the Public Works Department, and the Recreation Division of the Community Services Department.

The initial term of the Contract expires December 31, 2009. Further terms may be approved at the sole option of the City for four (4) additional one (1) year terms to December 31, 2013.
As per Purchasing Policy, Section 4.4, Policy 4 - Approval Authority, item 4(b), approval is required for the award of Corporate Contracts.

**BACKGROUND:**

The Purchasing Section issued this Request for Tenders for the Supply and Delivery of Various Sod on March 19, 2009, and closed on April 7, 2009. Five (5) Bidders picked up the tender documents and only two (2) compliant bids was received.

**ANALYSIS/RATIONALE:**

The City benefits from discounted volume based pricing when a Corporate Tender is issued versus each individual department securing prices on their own for products that are the same. Management of the procurement of all of these products is vastly simpler when dealing with a few vendors versus many vendors.

Only one compliant bid was received for Part 1 – Delivered Pricing.

Part 2 – Pick Up pricing is being awarded to the compliant Bid, per section, with the lowest total unit price for all five terms. The Bidder had to be located within the section they were bidding on in an effort to reduce gas consumption and travel time of City staff. If no Bids were received for a section, the City reserved the right to award to another Bidder from a different section with the lowest total unit price for all five terms. The sections were broken down as follows:

Section 1 – Maintenance District 1
Section 2 – Maintenance Districts 2 and 4
Section 3 – Maintenance Districts 3 and 5

**ALTERNATIVES FOR CONSIDERATION:**

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 see any cost savings by combining the required services for several departments.

**FINANCIAL/STAFFING/LEGAL IMPLICATIONS:**

**Financial Implications:**

As compared to 2008 pricing, there has only been a minimal increase of approximately 1% for the 2009 pricing.

**Staffing and Legal Implications:**

None.
POLICIES AFFECTING PROPOSAL:

Purchasing Policy, Section 4.4, Policy 4 - Approval Authority, requires Council approval when the Request for Tender is a Corporate Contract.

RELEVANT CONSULTATION:

All user departments were consulted and provided input for this Request for Tender with respect to specifications and special provisions.

CITY STRATEGIC COMMITMENT:

By evaluating the “Triple Bottom Line”, (community, environment, and economic implications) we can make choices that create value across all three bottom lines, moving us closer to our vision for a sustainable community, and Provincial interests.

Community Well-Being is enhanced. ☑ Yes ☐ No

Environmental Well-Being is enhanced. ☑ Yes ☐ No

Economic Well-Being is enhanced. ☑ Yes ☐ No

The issuance of this Corporate Tender enhances buying power and ensures that volume discounts are maximized for the City.

Does the option you are recommending create value across all three bottom lines? ☑ Yes ☐ No

Do the options you are recommending make Hamilton a City of choice for high performance public servants? ☐ Yes ☑ No