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 C12-07-11 Transmission Services (FCS11080) (City Wide)

SUBMITTED BY:  
Antonio D. Tollis  
Treasurer  
Corporate Services Department

PREPARED BY:  
Rick Male Ext 4157

RECOMMENDATION

That Request for Tenders C12-07-11 for Transmission Services for City of Hamilton vehicles be awarded to the lowest compliant bid Ron’s Transmission Services Inc., with an estimated expenditure of $65,000 for a three year period.

EXECUTIVE SUMMARY

The City of Hamilton has a large fleet of vehicles which require transmission services, on an "as required" basis for Fleet Services, Emergency Services, and Hamilton Police Services. Vehicles included are cars and light duty trucks up to and including 1 ton vehicles. Other vehicles or departments may be added to this contract throughout the term(s) of the contract.

Bidders were required to provide fixed unit pricing for transmission rebuilds on various makes of vehicles and an hourly rate for miscellaneous transmission repairs.

The term of the contract is for one year with the option to renew for an additional four, one year terms.
Bid Submission Results

<table>
<thead>
<tr>
<th>Company Name</th>
<th>Total Contract Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ron’s Transmission Services Inc.</td>
<td>$65,055.00</td>
</tr>
<tr>
<td>Top Quality Transmission Inc.</td>
<td>$103,900.00</td>
</tr>
</tbody>
</table>

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 Transmission Services. 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 Request for Tenders was issued on July 19, 2011 and closed on August 22, 2011. There were two plan takers who secured the document and two 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 services performed.

**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), 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)


N/A.

APPENDICES / SCHEDULES

N/A.