

Item No. 17

January 17, 2014

To: The Board of Governors of Exhibition Place

ACTION REQUIRED

From: Dianne Young

Chief Executive Officer

Subject: Agreement for High Reach Equipment

and Other Various Types of Equipment on a Rental Basis

Summary:

This report recommends the Board enter into agreement with United Rentals of Canada Inc. (United), upon award, for the non-exclusive supply and delivery of high reach equipment and other various types of equipment on a rental basis to Exhibition Place.

A Request for Quotation (RFQ) process was issued through the City of Toronto, Finance Department, Purchasing and Materials Management Division (PMMD) for the rental of high reach equipment and other various types of equipment to Exhibition Place.

Recommendation:

It is recommended that the Board approve an agreement with United Rentals of Canada Inc. for the period commencing upon award to December 31, 2014, with the option to extend for an additional three (3) separate one year periods, on the terms and conditions outlined in this report and other such terms and conditions satisfactory to the Chief Executive Officer and the City Solicitor.

Financial Impact:

The projected annual expenditure for the rental of high reach equipment and other various types of equipment is \$95,000 yearly, of which more than \$85,000 is recoverable from clients of the Board. The remaining \$10,000 is provided for in the current year Operating Budget.

Decision History:

The Exhibition Place 2009-2012 Strategic Plan has a Financial Goal to Seek efficiencies with the public funds under our control and as a strategy to support this Goal we will seek efficiencies across the organization to increase revenues and decrease costs.

At its meeting of November 25, 2010, the Board entered into agreement with Hertz Equipment Rental Corporation for the rental of high reach equipment and other various types of equipment, which agreement expired December 31, 2013.

Issue Background:

The RFQ specified the Board's requirements and was accordingly structured in a manner that required bidders to provide daily, weekly and monthly rental rates including cartage costs for the provision of various specific types of high reach equipment to meet both short and long term needs. For comparison purposes, these rates quoted were applied to projected annual requirements resulting in Total Lump Sum Prices. Firm prices were quoted for each of the four years.

Comments:

Exhibition Place uses these various types of high reach equipment on an "as required basis" to fulfill both internal maintenance service requirements and client driven needs.

On November 7, 2013, Exhibition Place through the services of PMMD issued a Request for Quotation to establish a new agreement for the rental of high reach equipment and other various types of equipment.

The RFQ closed on November 25, 2013 with one (1) quotation received. The results, excluding HST, were as follows:

Bidder	2014	2015	2016	2017
United Rentals of Canada Inc.	\$95,355	\$95,355	\$96,309	\$97,272

United was the only quotation received and is in compliance with all requirements. Staff has had previous experience with United and report favourably of the service provided in the past.

United Rentals was founded in 1997 and quickly became the world's largest equipment rental provider. They deploy almost \$8 billion of fleet through more than 820 branches covering both United States and Canada, with several branch outlets in the GTA. References include the State Group and Clifford Masonry and Restoration.

The City of Toronto Fair Wage and Labour Trades Office confirms that this bidder is in compliance with the Fair Wage and Labour Trades requirements for this work.

The substantial terms of the agreement will be as follows:

- (a) Term: Upon award to December 31, 2014, with the option to extend for an additional three separate one-year periods subject to satisfactory performance review and budget availability.
- (b) Pricing: Pricing be fixed during the term of the Agreement.
- (c) Assignment: The agreement between the Board and United shall not be assigned by United without written consent of the Board.
- (d) Indemnity/Insurance: United shall provide proof of insurance in a form and amount satisfactory to the Board and containing provisions including the Board and the City of Toronto as additional insured with a cross liability/severability of interest clause of standard wording.
- (e) Union Obligations: United shall comply with all agreements in force between the Board and any union or association with respect to Exhibition Place.

(f) Other Commercial Terms: The agreement shall include other standard commercial terms respecting termination and other matters in a form satisfactory to the City Solicitor and the CEO.

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Submitted by:

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