

TO: CHIEF ADMINISTRATIVE OFFICER **DATE:** 2022 September 28

FROM: ACTING CHIEF FINANCIAL OFFICER **FILE:** 5820-20
Reference: RFQ 55-02/18

**SUBJECT: CONTRACT EXTENSION
LIGHT DUTY TRUCK RENTALS**

PURPOSE: To obtain Council approval to award a one year contract extension for the supply and delivery of light duty truck rentals.

RECOMMENDATION:

1. **THAT** Council approve a one year contract extension to Zeemac Vehicle Lease Ltd., for an estimated total cost of \$260,000.00 including GST in the amount of \$12,380.95 as outlined in this report. Final payment will be based on the actual quantity of goods delivered and services provided.

REPORT

On 2018 September 14, the City awarded a contract to Zeemac Vehicle Lease Ltd., for a total estimated cost of \$240,000.00 including GST in the amount of \$11,428.57. The initial contract was for the period 2018 October 01 to 2021 September 30, with options of up to two individual one year extensions at the discretion of the City. The work of this contract involves the supply and delivery of light duty truck rentals on an as and when required basis for various City work crews.

Since the award of the contract there have been five contract increases and one contract extension for the period 2021 October 01 to 2022 September 30, for the total estimated cost of \$700,000.00 including GST in the amount of \$33,333.33. The contract increases are due to the operating protocols and safety measures implemented for COVID-19 and to maintain service levels while the City awaits delivery of new vehicles, for which production continues to be significantly impacted since the pandemic.

This recommendation is for the second one year contract extension effective 2022 October 01 to 2023 September 30 for an estimated value of \$260,000.00 including GST in the amount of \$12,380.95. The total estimated contract value is \$1,200,000.00 including GST in the amount of \$57,142.95.

To: Chief Administrative Officer
 From: Acting Chief Financial Officer
 Re: Contract Extension
 Light Duty Truck Rentals
 2022 October 3 Page 2

Contract History	Term	Amount
Original Contract Award	2018 Oct – 2021 Sep	\$240,000.00
First Contract Increase	2020 Jul	\$ 17,000.00
Second Contract Increase	2020 Aug	\$150,000.00
Third Contract Increase	2021 Mar	\$100,000.00
Fourth Contract Increase	2021 Jul	\$100,000.00
First Contract Extension	2021 Oct – 2022 Sep	\$201,000.00
Fifth Contract Increase	2022 Aug	\$132,000.00
Second Contract Extension	2022 Oct – 2023 Sep	\$260,000.00
TOTAL		\$1,200,000.00

The recommended bidder, Zeemac Vehicle Lease Ltd., has provided similar vehicles in the past with a proven track record for performance and reliability to the satisfaction of the City. The recommendation is based on findings of overall quality, performance and service. The Acting General Manager Engineering and General Manager Parks, Recreation and Cultural Services concur with the above recommendation.

Funding for this contract is provided in the 2022-2026 Financial Plan under various operating and capital accounts.



Bob Klimek
 ACTING CHIEF FINANCIAL OFFICER

BK:GC:JRN/ew:kl

Copied to: Acting General Manager Engineering
 General Manager Parks, Recreation and Cultural Services