

<b>TO:</b>	<b>CHAIR AND MEMBERS FINANCE &amp; ADMINISTRATIVE SERVICES MEETING ON SEPTEMBER 24, 2012</b>
<b>FROM:</b>	<b>JOHN BRAAM, P.ENG. MANAGING DIRECTOR, ENVIRONMENTAL &amp; ENGINEERING SERVICES &amp; CITY ENGINEER</b>
<b>SUBJECT</b>	<b>TENDER 12-59 AUTOMOTIVE LUBRICANTS</b>

<b>RECOMMENDATION</b>
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That, on the recommendation of the Managing Director, Engineering Services & City Engineer, that the following actions **BE TAKEN** with respect to Tender 12-59:

- a) That the bids submitted by Safety-Kleen Canada Inc., 300 Woolwich Street South, Breslau, ON N0B 1M0 of \$ 73,361.89 and Case N' Drum, 3462 White Oak Road, London, ON N6E 2Z9 of \$1,791.36 and Lubesource, 351 Caldari Road, Vaughan, ON L4K 4S9 of \$16,710.68 and Progressive Industrial Fluids Ltd., 1235 G Aerowood Drive, Mississauga, ON L4W 1B9 of \$3,886.50; HST extra for a one (1) year period with options for two (2) additional one (1) year extensions, **BE ACCEPTED**, it being noted that these bids are the low bid per item and meets all of our terms, conditions, requirements and specifications in all areas
- b) That Civic Administration **BE AUTHORIZED** to undertake all of the administrative acts that are necessary in connection with this contract;
- c) That approval hereby given **BE CONDITIONAL** upon the Corporation entering into a formal contract or issuing purchase orders or contract record relating to these matters of this approval.

<b>BACKGROUND</b>
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**Purpose**

To seek council approval to award this tender for a one (1) year period with option to renew for two (2) additional one (1) year periods at the City's sole discretion for the Supply and Delivery of Automotive Lubricants for use in City of London vehicles and equipment, Library vehicles and pollution control facilities, based on the best unit price per item split award.

**Purchasing Process**

Tender 12-59 was issued seeking competitive pricing for the supply and delivery of automotive lubricants for up to a three (3) year term; we received ten (10) bids which were analyzed and reviewed for compatibility to our existing products; it is recommended that we split the award to take advantage of the best pricing on all of the twenty-seven (27) items that we source in bulk and container packaging. A unit price summary is attached as Appendix 'A'.

**Financial Impact**

The total estimated annual expenditure is \$118,000. Funding for the current year has been included in the 2012 Operating budget and pending 2013 Operating budget.

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**Acknowledgements**

This report was prepared with input from Barrie Galloway, Manager, Operations Mechanical and Chris Ginty, CPPB, Procurement Officer, Purchasing and Supply.

<b>SUBMITTED BY:</b>	<b>RECOMMENDED BY:</b>
<b>MIKE BUSHBY DIVISIONAL MANAGER – FLEET SERVICES, PLANNING, ENVIRONMENTAL AND ENGINEERING SERVICES</b>	<b>JOHN BRAAM, P.ENG. MANAGING DIRECTOR, ENGINEERING SERVICES &amp; CITY ENGINEER</b>
<b>REVIEWED AND CONCURRED BY:</b>	<b>REVIEWED AND CONCURRED BY:</b>
<b>MIKE TURNER DEPUTY CITY TREASURER</b>	<b>JAY STANFORD DIRECTOR - ENVIRONMENTAL PROGRAMS &amp; SOLID WASTE</b>

c:      John Freeman, Manager of Purchasing and Supply