

Award of Request for Quotation No. 0505-14-0139 to Cardinal Health Canada Inc. and Particeps Medical Solutions Ltd. for the non-exclusive supply and delivery of Various Medical Supplies

Date:	January 7, 2015
To:	Bid Committee
From:	Director, Purchasing and Materials Management

RECOMMENDATIONS

The Director of Purchasing and Materials Management recommends that the Bid Committee grant authority to award the following contract:

Call No:	RFQ# 0505-14-0139
Description:	<p>For the non-exclusive supply and delivery of Various Medical Supplies to various Purchasing and Materials Management (Stores) locations from Date of award to December 31, 2015, with the option to renew the Contract for additional three (3) separate one (1) year periods at the sole discretion of the City and subject to budget approval(s).</p> <p>Should the option(s) be exercised, then the Manager of Materials Management and Stores will request the Director of Purchasing and Materials Management to process the renewals under the same terms and conditions.</p>
Recommended Bidder 1:	Cardinal Health Canada Inc. (Part A & D)
Contract Award Value:	<p>\$145,959.25 net of all applicable taxes and charges including additional 25% for miscellaneous \$164,933.95 including all applicable taxes and charges \$148,528.13 net of HST recoveries</p> <p>The contract is expected to start from date of award and end on December 31, 2015.</p> <p>Option Year 1 (January1, 2016 to December 31, 2016) \$150,338.03 net of all applicable taxes and charges including additional 25% for miscellaneous \$169,881.97 including all applicable taxes and charges \$152,983.98 net of HST recoveries</p>

	<p>Option Year 2 (January 1, 2017 to December 30, 2017) \$154,848.17 net of all applicable taxes and charges including additional 25% for miscellaneous \$174,978.43 including all applicable taxes and charges \$157,573.50 net of HST recoveries</p> <p>Option Year 3 (January 1, 2018 to December 30, 2018) \$159,493.61 net of all applicable taxes and charges including additional 25% for miscellaneous \$180,227.78 including all applicable taxes and charges \$162,300.70 net of HST recoveries</p> <p>The total potential contract award including all option years is \$621,386.31 net of HST recoveries, \$690,022.13 including all applicable taxes and charges and \$610,639.06 net of all applicable taxes and charges.</p>
Recommended Bidder 2:	Particeps Medical Solutions Ltd. (Part B)
Contract Award Value:	<p>\$297,435.00 net of all applicable taxes and charges including additional 25% for miscellaneous \$336,101.55 including all applicable taxes and charges \$302,669.86 net of HST recoveries</p> <p>The contract is expected to start from date of award and end on December 31, 2015.</p> <p>Option Year 1 (January1, 2016 to December 31, 2016) \$300,409.35 net of all applicable taxes and charges including additional 25% for miscellaneous \$339,462.57 including all applicable taxes and charges \$305,696.55 net of HST recoveries</p> <p>Option Year 2 (January 1, 2017 to December 30, 2017) \$303,413.44 net of all applicable taxes and charges including additional 25% for miscellaneous \$342,857.19 including all applicable taxes and charges \$308,753.52 net of HST recoveries</p> <p>Option Year 3 (January 1, 2018 to December 30, 2018) \$306,447.58 net of all applicable taxes and charges including additional 25% for miscellaneous \$346,285.76 including all applicable taxes and charges \$311,841.06 net of HST recoveries</p> <p>The total potential contract award including all option years is \$1,228,960.99 net of HST recoveries, \$1,364,707.07 including all applicable taxes and charges and \$1,207,705.37 of all applicable taxes and charges.</p>

Financial Impact:

The total potential contract award identified in this report is \$2,054,729.21 including all applicable taxes and charges. The total potential cost to the City is \$1,850,347.29 net of HST recoveries. The materials on this contract will be purchased for PMMD Stores inventory purposes. The material value will be held in inventory holding Balance Sheet accounts (160004, 160026, 160049, 160067, 160068, 160082, 160083, 160085) until City Divisions require the material to support their work programs at which time the material value is charged to the appropriate Divisions' approved operating budgets. Funding from date of award to December 31, 2015 will be included in the appropriate Divisions' 2015 Operating Budget Submissions.

Should the City choose to exercise its options to renew for an additional three (3) separate one (1) year periods, then appropriate additional funding, if needed, will be included in the 2016-2018 annual Operating Budget Submissions of the appropriate Divisions.

Period	Cost Centre 160004, 160026, 160049, 160067, 160068, 160082, 160083, 160085	Total (net of HST Recoveries)
Date of award to December 31, 2015	\$451,197.99	
<i>Total: Contract Period</i>		\$451,197.99
January 1, 2016 to December 31, 2016	\$458,680.53	
<i>Total: Option Year 1</i>		\$458,680.53
<i>Total: 2016 Budget Year</i>	\$458,680.53	
January 1, 2017 to December 31, 2017	\$466,327.02	
<i>Total: Option Year 2</i>		\$466,327.02
<i>Total: 2017 Budget Year</i>	\$466,327.02	
January 1, 2018 to December 31, 2018	\$474,141.76	
<i>Total: Option Year3</i>		\$474,141.76
<i>Total: 2018 Budget Year</i>	\$474,141.76	
Grand Total		\$1,850,347.30

CALL SUMMARY

Ward No:	All	
Call Dates:	Issued: October 8, 2014	Closed: October 23, 2014
# of Addenda Issued:	Three (3)	
Number of Bids:	Firm Name	Bid Price (Incl. 25% miscellaneous)
	1. The Stevens Company Limited Cardinal Health Canada Limited 2. Particeps Medical Solutions Ltd 3. Cardinal Health Canada Inc	\$16,855.62 (only bid on Part A) \$14,478.75 (awarded Part A) \$488,446.00 (Bid on Parts A-D) \$498,511.75 (Bid on Parts A-D)

	<p>4. EMRN 2008 5. Medical Mart Supplies Limited</p> <p>Cardinal Health Canada Inc. submitted the lowest price for Part A.</p> <p>EMRN 2008 received a contract for Part C as they were the lowest bidder meeting specification all in accordance with the Purchasing By-Law 195-9(A), Toronto Municipal Code Chapter 195-Section 9, Authority.</p>	<p>\$566,759.75 (Bid on Parts A-D) \$763,973.37 (Bid on Parts A-D)</p>
Division Contacts:	<p>Elena Caruso Manager, Goods and Services Purchasing & Materials Management Telephone: (416) 392-7316 E: mail: ecarus@toronto.ca</p>	<p>Craig Mavin Manager, Materials Management & Stores Purchasing & Materials Management Division Telephone: 416-392-6764 E-Mail: cmavin@toronto.ca</p>

COMMENTS:

For the recommended contract award, the following requirements have been met:

- (a) The firm recommended for award is the lowest bidder meeting specifications or to the highest scoring proponent based on the evaluation criteria included in the call and meeting the requirements of the call;
- (b) The appropriate Division has reviewed submissions and found the price to be reasonable, within available budget and concurs with the recommendation.
- (c) The total contract value is less than \$20 million dollars (excluding applicable taxes) and the contract terms is:
 - i. For a contract funded by the operating budget, 5 years or less including any option years; or
 - ii. For a contract funded by the capital budget, within the projected term of the capital funding for the project as set out in the capital budget,

Being within the authority of the Bid Committee;
- (d) There are no material written objections to the award;
- (e) The call document was advertised on the City’s internet website and bids or proposals were opened publicly; and
- (f) The Fair Wage Office confirms the recommended firm understands the Fair Wage Policy and Labour Trades requirements and has agreed to comply fully.

Additional details and information for the above calls are on the file in the Purchasing and Materials Management Division.

Michael Pacholok
Director, Purchasing and Materials Management Division