



STAFF REPORT ACTION REQUIRED

Award Request for Proposal No. 0507-15-0113 to Zoll Medical Canada Inc. for Cardiac Monitor/Defibrillators

Date:	November 6, 2015
To:	Community Development and Recreation Committee
From:	Chief and General Manager, Toronto Paramedic Services Director, Purchasing and Materials Management Services
Wards:	All
Reference Number:	P:\2015\Internal Services\pmmd\cd15009pmmd (AFS22122)

SUMMARY

The purpose of this report is to advise on the results of the Request for Proposal (RFP) No. 0507-15-0113 for the supply and delivery of Cardiac Monitor/Defibrillators, including accessories, proprietary consumables, and extended maintenance agreements including an optional replacement of all cardiac monitors/defibrillators after five (5) years.

Toronto Paramedic Services requests authority to enter into a legal agreement satisfactory to the City Solicitor with Zoll Medical Canada Inc. being the highest scoring Proponent meeting all specifications as set out in the RFP for a period starting from date of award to November 15, 2016, with an option to renew the Contract for an additional nine (9) separate one year periods from the date of the award to November 15, 2025, at the sole discretion of the City and subject to budget approval(s). The total potential contract amount including the option years is \$20,928,256 including all taxes, \$18,520,581 net of all taxes and charges and the total potential cost to the City including the option years is \$18,846,543 net of HST recoveries.

Should the option(s) be exercised, then the Chief and General Manager, Toronto Paramedic Services will request the Director of Purchasing and Materials Management to process the renewals under the same terms and conditions as set out in the Request for Proposal.

RECOMMENDATIONS

The Chief and General Manager, Toronto Paramedics Services and the Director, Purchasing and Materials Management recommend that:

1. City Council authorize the Chief and General Manager, Toronto Paramedics Services to negotiate an enter into an agreement with Zoll Medical Canada Inc. being the highest overall scoring proponent meeting the requirements of RFP 0507-15-0113 for the provision of Cardiac Monitor/Defibrillator with all components and accessories, and replacement of Cardiac Monitor/Defibrillator including extended warranty and preventative maintenance plan, in the total amount of \$5,075,400 net of HST for a period of one (1) year from the date of the award to November 15, 2016 with the option to renew at the sole discretion of the Chief and General Manager, Toronto Paramedics Services and subject to budget approval for an additional nine (9) separate one year periods, for a total potential cost of \$18, 846,543 net of HST recoveries in accordance with the terms and conditions as set out in the RFP and any other terms and conditions satisfactory to the Chief and General Manager, Toronto paramedic Services and in a form acceptable to the City Solicitor.

FINANCIAL IMPACT

The total potential contract award including the option years is \$20,928,256 including all taxes and charges, \$18,520,581 net of all taxes and charges. The total potential cost to the City including the option years is \$18,846,543 net of HST recoveries.

Funding in the amount of \$2,435,880 net of HST recoveries is included in the 2015 Approved Capital Budget and 2016-2024 Approved Capital Plan for Toronto Paramedic Services. Funding in the amount of \$2,639,520 net of HST recoveries for the balance of the contract period from January 1, 2016 to November 15, 2016 will be included in the 2016 Operating Budget Submission for Toronto Paramedic Services.

Should the City choose to exercise its option to renew for an additional nine (9) separate one (1) year periods, then appropriate additional funding, if needed, will be included in the 2016-2025 annual Operating Budget Submissions for Toronto Paramedic Services.

Funding details are provided below:

Operating: Cost Centre B46700, Cost Element 3055

Capital: WBS Elements - CAM065-01, CAM045-02

Table 1 - Annual Funding Details (Net of HST Recoveries):

Year	(A) = (B) + (C) Total	(B) Operating	(C) Capital
Date of Award to December 31, 2015	\$ 2,435,880	\$ -	\$ 2,435,880
January 01 to November 15, 2016	\$ 2,639,520	\$ 203,520	\$ 2,435,880
November 16 to December 31, 2016	\$ 379,276	\$ 379,276	\$ -
2017	\$ 831,304	\$ 831,304	\$ -
2018	\$ 831,304	\$ 831,304	\$ -
2019	\$ 831,304	\$ 831,304	\$ -
2020	\$ 831,304	\$ 831,304	\$ -
2021	\$ 5,176,192	\$ 864,112	\$ 4,312,080
2022	\$ 1,252,733	\$ 1,252,733	\$ -
2023	\$ 1,219,381	\$ 1,219,381	\$ -
2024	\$ 1,214,741	\$ 1,214,741	\$ -
January 1 to November 15, 2025	\$ 1,203,721	\$ 1,203,721	\$ -
Total Net of HST Recoveries	\$ 18,846,543	\$ 9,662,703	\$ 9,183,840

The Deputy City Manager & Chief Financial Officer has reviewed this report and agrees with the financial impact information.

DECISION HISTORY

The previous contract award for mechanical preventative maintenance and service including specialized parts and operating accessories of Zoll E Series Cardiac Monitor/Defibrillators including the Provision of Loaner Replacement Cardiac Monitor / Defibrillators by an Authorized Zoll Medical Canada Service Facility for Toronto Emergency Medical Services from date of award to December 31, 2012, with the option to renew the contract for three (3) additional separate one (1) year periods was awarded at Bid Committee at its meeting of January 18, 2012 and can be viewed at:

<http://www.toronto.ca/legdocs/mmis/2012/bd/bgrd/backgroundfile-44326.pdf>

ISSUE BACKGROUND

Toronto Paramedic Services is **mandated** by the Provincial Equipment Standards for Ontario Ambulance Services issued by Emergency Health Services Branch Ministry of Health and Long-Term Care the Ministry of Health to have cardiac monitors/defibrillators on every ambulance. The current fleet of cardiac monitor/defibrillators have reached end-of-life and need to be replaced.

COMMENTS

Request for Proposal 0507-15-0113 – Procurement Process

The RFP was written to incorporate and mitigate the following challenges:

1. Limited Market

The current market has a limited number of vendors providing this device. At present there are only two (2) known vendors selling cardiac monitors/defibrillators designed for Paramedic use in Ontario.

2. Health and Safety

Paramedic Services places significant value in reducing musculoskeletal injuries. The weight of the cardiac monitor/defibrillator has been reducing over time and the recommended monitor/defibrillator is the lightest monitor available in the Ontario market.

3. Cost Savings

Significant savings can be realized by the City at the end of the fifth optional year by replacing the cardiac monitors with the most current model at that time and reusing accessory equipment. Generally accessory equipment such as batteries, specialized diagnostic cables and attachments for the patient are not transferable between vendors. Since, the replacement monitors will be from Zoll Medical Canada Inc. the RFP requires that all accessories are transferable to the new cardiac monitor / defibrillators or the vendor will supply them at their cost.

4. Maintenance

In order to maximize value for the City, extended warranty and preventative maintenance costs for the entire term of the Agreement have also been incorporated into the RFP that includes the following items:

- a) Proponent weekly onsite maintenance call;
- b) Preventive Maintenance Certificate;
- c) Onsite maintenance training for Toronto Paramedic Services' staff; and
- d) Equipment upgrades

Pricing also includes the Optional replacement of Cardiac Monitor /Defibrillators after the initial five (5) years with extended warranty and preventative maintenance plans for years six (6) through ten (10).

RFP No. 0507-15-0113 for the procurement of Cardiac Monitor/Defibrillators was issued by Purchasing and Materials Management Division (PMMD) on March 27, 2015 and was made available for download on the City's internet website. The closing date for proposals was May 1, 2015. In total, three (3) addenda were issued with a final closing date of May 19, 2015. The RFP process was a two (2) envelope system.

The proposal received from Zoll Medical Canada Inc. underwent a mandatory requirements review, proposal evaluation including proof of solution demonstration in order to successfully ascertain the total number of points required in order to review the Cost of Services.

A selection committee from Toronto Paramedic Services reviewed the received proposals and evaluated the proposals in accordance with the following evaluation process:

- | | | |
|----|--|------------|
| 1) | Stage 1 – Mandatory Submission Requirements | PASS /FAIL |
| 2) | Stage 2 – Technical portion of the Proposal Evaluation | |
| | 2A) Profile and Experience and Qualifications | 5 marks |
| | 2B) Quality of References | 5 marks |
| | 2C) Rated Requirements | 25 marks |

Upon completion of Stage 2C - Rated Requirements , the sum of all scores in Stage 2 A) through C) will be calculated and if the minimum threshold of 70% is obtained, the Proponent(s) move on to Stage 3 - Proof of Solution

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| 3) | Stage 3 – Proof of Solution Demonstration | |
| | Stage 3A – Proof of Solution Demonstration Deliverable | 20 marks |
| | Stage 3B – Proof of Solution Interactive Demonstration | 10 marks |
| 4) | Stage 4 – Cost of Services | 35 marks |

Upon completion of Stage 3 - Proof of Solution, the sum of all scores in stages 2 and 3 will be calculated and the Proponents must score a minimum of 70% (45.5 points) after Stage 2 and 3 for the Cost of Services sealed pricing envelope to be opened and pricing evaluated.

The formula was used in part for the purpose of awarding contracts in whole or by part at the discretion of the City

(Lowest “Proponent's Combined Average Cost” divided by the Proponent’s “Proponent's Combined Average Cost”) x 35.

Results of the Request for Proposal (RFP):

Zoll Medical Canada Inc. successfully satisfied the requirements in RFP No. 0507-15-0113 being the highest scoring Proponent meeting all specifications as set out in the RFP and as such, Paramedic Services requests authority to enter into a legal agreement satisfactory to the City Solicitor with Zoll Medical Canada Inc. for a period of one (1) year, with an option to renew the Contract for an additional nine (9) separate one year periods, for a total ten (10) year period effective November 16, 2015 to November 15, 2025, subject to budget approval(s)

Proponents scores and staff analysis of the evaluation results can be provided to Councillors in an in camera presentation if requested by members of Council.

The Fair Wage Office has reported that the recommended firm has indicated that it has reviewed and understands the Fair Wage Policy and Labour Trades requirements and has agreed to comply fully.

Fairness Monitor

The firm of PPI Consulting Ltd. was retained through a competitive bidding process to act as Fairness Monitor for the RFP. The Fairness Monitor's scope of work included:

- Providing oversight on the procurement process for the purpose of ensuring adherence to high standard, objectivity of evaluation, and transparency.
- Addressing any concerns relating to accountability/fairness (monitoring the level of openness and competitiveness of the procurement process);
- Independent assurance of the integrity of the procurement process with a signed attestation statement;
- Preparing a Final Attestation Report for the City.

The Fairness Monitor concluded that the procurement process satisfied the principles of openness, fairness, consistency and transparency. The Attestation Report from the Fairness Monitor is included as Attachment 1.

CONTACT

Mark Stuart Adams, Commander Materials Management & Equipment Services
Toronto Paramedic Services Email: madams@toronto.ca Tel: 416-392-2082

Elena Caruso, Manager, Purchasing Goods & Services Purchasing & Materials
Management Email: ecaruso@toronto.ca
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SIGNATURE

Paul Raftis
Chief and General Manager
Toronto Paramedics Services

Michael Pacholok
Director, Purchasing &
Materials Management Division

Attachment 1: Fairness Monitor Attestation Report

ATTACHMENT 1

LETTER OF ATTESTATION

October 30, 2015

Elena Caruso,
Manager, Purchasing – Goods and Services
The City of Toronto

By Email: ecaruso@toronto.ca

Subject: Fairness Attestation Report - Request for Proposal RFP # 0507-14-0161 Paramedic Services Cardiac Defibrillators

Elena,

PPI Consulting Limited was engaged as the Fairness Monitor to monitor the processes of communication, evaluation, and decision-making associated with the procurement process for the Request for Proposal for Toronto Paramedic Services Procurement of Cardiac Defibrillators RFP # 0507-14-0161 issued by The City of Toronto (COT). Our role in this project is related to ensuring openness, fairness, consistency and transparency of the procurement process.

PPI Consulting Limited hereby presents its final procurement fairness attestation report to COT at the conclusion of this stage in the procurement process, describing how the procurement process has complied with the RFP requirements. The following chart included below is in accordance with the RFP and COT evaluation guidelines. It summarizes PPI Consulting's involvement and findings:

Stage	Task	Fair (Yes / No)
1.	Reviewed the RFP documentation to identify potential inconsistencies or lack of clarity and provided feedback to COT project manager. Verified the roles, responsibilities, decision authorities, and reporting requirements	Yes
2.	Procurement documents were made publicly available	Yes
3.	The procurement documents, including the evaluation scoring spreadsheets, were reviewed and were deemed to be consistent with the guidelines established by COT	Yes

Stage	Task	Fair (Yes / No)
4.	Ensured that all Meetings were clearly identified in the procurement documents and confirmed that there were no meetings related to the procurement document that the Applicants were not notified of.	Yes
5.	Reviewed all communications with Applicants, including questions and responses, prior to them being issued as addenda	Yes
6.	Answers were made available to all Applicants for all questions that were submitted	Yes
7.	Reviewed all clarification questions submitted by COT and the Applicants Responses	Yes
8.	There was a forum/process through which Applicants could make complaints. No applicant complaints were received by Fairness.	Yes
9.	All participants confirmed that they would adhere to the conflict of interest and confidentiality requirements	Yes
10.	Applicants confirmed their adherence to the conflict of interest and confidentiality requirements in their submissions	Yes
11.	<p>Ensured that:</p> <ul style="list-style-type: none"> • The time and place of the closing were clearly identified in the procurement documents • The submissions were logged and recorded upon receipt, clearly identifying those that were submitted on time (Monitored the closing) • Mandatory requirements were adhered to for the proposals that were evaluated 	<p>Yes</p> <p>Yes</p> <p>Yes</p>
12.	There was a protocol in place to ensure that document confidentiality was maintained	Yes
13.	The evaluation criteria and process were included in the RFP	Yes
14.	The evaluation and scoring guidelines were finalized before the RFP Closing	Yes
15.	The composition of the evaluation committee adhered to the evaluation process.	Yes
16.	Attended all proponent interview sessions/vendor presentations to COT staff and evaluators.	Yes
17.	Evaluations were done in an unbiased manner and in accordance with the evaluation spreadsheets. Evaluators applied the evaluation criteria consistently and fairly. Fairness attended and monitored the evaluation consensus sessions.	Yes
18.	Reviewed evaluation results	Yes

Stage	Task	Fair (Yes / No)
19.	The award was done according to the RFP	Yes
20.	Debriefings are to be offered for all unsuccessful Applicants and are to be offered for the successful Applicants	Yes
21.	Provide a report of the conclusion of the procurement process on the fairness, openness and transparency of the process	Yes

Observations and Findings

The evaluation process and criteria described in the procurement documents were applied consistently and equitably.

There were no unresolved issues during the RFP stage of the procurement, the evaluation stage or the consensus sessions.

Conclusion

As the Fairness Monitor for the Toronto Paramedic Services Procurement of Cardiac Defibrillators RFP # 0507-14-0161 issued by The City of Toronto and to the extent that we have been involved in the RFP Process, we certify that the principles of openness, fairness, consistency and transparency have been, in our opinion, properly established and maintained throughout the Request for Proposal process, evaluation of the proposal and award.

PPI Consulting Limited



Ian Brennan CSCMP
Fairness Monitor Consultant

