



BID AWARD PANEL CONTRACT AWARD

Award of Request for Quotation (RFQ) No. 0114-18-0363 to The Shoe Network Inc. for the non-exclusive supply and delivery of Dress Shoes

Date: January 10, 2018
To: Bid Award Panel
From: Chief Purchasing Officer
Wards: All

RECOMMENDATIONS

The Chief Purchasing Officer recommends that the Bid Award Panel grant authority to award the following contract:

Call Number:
RFQ No. 0114-18-0363

Description:

For the non-exclusive supply and delivery of dress shoes for the City of Toronto's Purchasing and Materials Management (Store) various locations for a period of one (1) year from date of award with the option to renew the Contract for four (4) additional separate one (1) year periods.

Should the option(s) be exercised, then the Manager of Materials Management and Stores will request the Chief Purchasing Officer to process the renewals under the same terms and conditions.

The contract award value includes a 25% miscellaneous line item addition as permitted by the terms and conditions of the RFQ, on top of the recommended Bidder's bid value listed in the call summary, Table 2.

Recommended Bidder(s):
The Shoe Network Inc., Bid #1

Contract Award Value:

\$107,229 net of all applicable taxes and charges (incl 25% miscellaneous)
\$121,169 including HST and all applicable charges
\$109,116 net of HST recoveries

Contract is expected to start on date of award and end on November 30, 2019.

Option Year 1: December 1, 2019 to November 30, 2020
\$110,446 net of all applicable taxes and charges (incl 25% miscellaneous)
\$124,804 including all applicable taxes and charges
\$112,390 net of HST recoveries

Option Year 2: December 1, 2020 to November 30, 2021
\$113,759 net of all applicable taxes and charges (incl 25% miscellaneous)
\$128,548 including all applicable taxes and charges
\$115,761 net of HST recoveries

Option Year 3: December 1, 2021 to November 30, 2022
\$117,172 net of all applicable taxes and charges (incl 25% miscellaneous)
\$132,404 including all applicable taxes and charges
\$119,234 net of HST recoveries

Option Year 4: December 1, 2022 to November 30, 2023
\$120,687 net of all applicable taxes and charges (incl 25% miscellaneous)
\$136,376 including all applicable taxes and charges
\$122,811 net of HST recoveries

The total potential contract award including all option years is \$579,313 net of HST recoveries, \$643,301 including all applicable taxes and charges and \$569,293 net of all applicable taxes and charges.

The above cost calculations for the Option Years reflect an estimated 3% increase in the Industrial Product Price Index.

FINANCIAL IMPACT

The total potential contract award identified in this report, including all option years is \$579,313 net of HST recoveries, \$643,301 including all applicable taxes and charges and \$569,293 net of all applicable taxes and charges.

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, 160171) 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.

Sufficient funding from the date of award to November 30, 2019 has been included in the appropriate Divisions' 2019 Recommended Operating Budgets and should all the option years be exercised, appropriate additional funding, will be requested in the 2020-2023 budget submissions. Funding details are provided in Table 1 to follow:

Table 1: Financial Impact Summary of Recommended Contract

Period	Cost Centre 160004, 160026, 160049, 160067, 160068, 160082, 160083, 160085,160171	Total (net of HST Recoveries)
Date of Award – November 30, 2019	\$109,116	
Total: Contract Period	\$109,116	\$109,116
December 1, 2019 – December 31, 2019	\$9,366	
January 1, 2020 – November 30, 2020	\$103,024	
Total: Option Year 1	\$112,390	\$112,390
Total: 2019 Budget Year	\$118,482	
December 1, 2020 – December 31, 2020	\$9,647	
January 1, 2021 – November 30, 2021	\$106,114	
Total: Option Year 2	\$115,761	\$115,761
Total: 2020 Budget Year	\$112,671	
October 1, 2021 – December 31, 2021	9,937	
January 1, 2022 – November 30, 2022	\$109,297	
Total: Option Year 3	\$119,234	\$119,234
Total: 2021 Budget Year	\$116,051	
December 1, 2022 – December 31, 2022	\$10,235	
January 1, 2023 – November 30, 2023	\$112,576	
Total: Option Year 4	\$122,811	\$122,811
Total: 2022 Budget Year	\$119,532	
Total: 2023 Budget Year	\$112,576	
Grand Total	\$579,313	\$579,313

CALL SUMMARY

Call Issued: November 9, 2018 **Call Closed:** December 10, 2018

Number of Addenda Issued: One (1)

Number of Bids: Two (2)

Table 2: Summary of Bids Received for RFQ No. 0114-18-0363

Bidder Name	Bid Price (including H.S.T.)
The Shoe Network Bid #1	\$96,934.79
The Shoe Network Bid #2	\$112,789.19

NOTE: Bid prices in Table 2 do not reflect a 25% miscellaneous line item in the Bid Price.

DIVISION CONTACTS

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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 term is:

1. for a contract funded by the operating budget, 5 years or less including any option years; or

2. 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 Award Panel;

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.

SIGNATURE

Michael Pacholok
Chief Purchasing Officer