



BID AWARD PANEL CONTRACT AWARD

Award of Request for Quotation (RFQ) No. 0202-18-0403 to Mister Chemical Ltd. for the Non-Exclusive Supply and Delivery of Toilet Paper, Paper Towel, and other Toiletries

Date: January 31st, 2019
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. 0202-18-0403

Description:

For the non-exclusive supply and delivery of Toilet Paper, Paper Towel and other Toiletries to various Purchasing and Materials Management (Stores) locations from the date of award to January 31, 2020, with the option to renew the Contract for four (4) additional separate one (1) year periods at the sole discretion of the City and subject to budget approval(s).

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.

Recommended Bidder:
Mister Chemical Ltd.

Contract Award Value:
\$2,660,594 net of all applicable taxes and charges (including 25% for miscellaneous items)
\$3,006,472 including HST and all applicable charges
\$2,707,421 net of HST recoveries
The contract is expected to start on date of award and end on January 31, 2020

Option Year 1 (February 1, 2020 to January 31, 2021)

\$2,740,412 net of all applicable taxes and charges (including 25% for miscellaneous items)

\$3,096,666 including HST and all applicable charges

\$2,788,643 net of HST recoveries

Option Year 2 (February 1, 2021 to January 31, 2022)

\$2,822,625 net of all applicable taxes and charges (including 25% for miscellaneous items)

\$3,189,566 including HST and all applicable charges

\$2,872,303 net of HST recoveries

Option Year 3 (February 1, 2022 to January 31, 2023)

\$2,907,303 net of all applicable taxes and charges (including 25% for miscellaneous items)

\$3,285,253 including HST and all applicable charges

\$2,958,472 net of HST recoveries

Option Year 4 (February 1, 2023 to January 31, 2024)

\$2,994,522 net of all applicable taxes and charges (including 25% for miscellaneous items)

\$3,383,810 including HST and all applicable charges

\$3,047,226 net of HST recoveries

The total potential contract award including all option years is \$14,374,065 net of HST recoveries, \$15,961,766 including all applicable taxes and charges and \$14,125,456 net of all applicable taxes and charges.

The above cost calculations for the option years reflect an estimated 3 percent increase in the Consumer Price Index (CPI).

FINANCIAL IMPACT

The total potential contract award identified in this report including the option years is \$15,961,766 including all applicable taxes and charges. The total potential cost to the City including the option years is \$14,374,065 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, 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.

Funding from the date of award to December 31, 2019 is available in the appropriate Divisions' 2019 Staff Recommended Operating Budgets. Additional funding for the remainder of the contract period will be requested in their 2020 Operating Budget Submissions. Should the option years be exercised, appropriate additional funding will be requested in the 2019-2024 Operating Budget Submissions. The details are as follows:

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 – December 31, 2019	\$2,481,803	
January 1, 2020 – January 31, 2020	\$225,618	
Total: Contract Period	\$2,707,421	\$2,707,421
Total: 2019 Budget Year	\$2,481,803	
February 1, 2020 – December 31, 2020	\$2,556,256	
January 1, 2021 – January 31, 2021	\$232,387	
Total: Option Year 1	\$2,788,643	\$2,788,643
Total: 2020 Budget Year	\$2,781,874	
February 1, 2021 – December 31, 2021	\$2,632,944	
January 1, 2022 – February 28, 2022	\$239,359	
Total: Option Year 2	\$2,872,303	\$2,872,303
Total: 2021 Budget Year	\$2,865,331	
February 1, 2022 – December 31, 2022	\$2,711,933	
January 1, 2023 – January 31, 2023	\$246,539	
Total: Option Year 3	\$2,958,472	\$2,958,472
Total: 2022 Budget Year	\$2,951,291	
February 1, 2023 – December 31, 2023	\$2,793,291	
January 1, 2024 – January 31, 2024	\$253,935	
Total: Option Year 4	\$3,047,226	\$3,047,226
Total: 2023 Budget Year	\$3,039,831	
Total: 2024 Budget Year	\$253,935	
Grand Total	\$14,374,065	\$14,374,065

CALL SUMMARY

Call Issued: December 3, 2018
Number of Addenda Issued: Two (2)
Number of Bids: Three (3)

Call Closed: January 7, 2019

Table 2: Summary of Bids Received for RFQ# 0202-18-0403 including bid price

Total Bid Price

Bidder Name	Base Bid Price (including 25% misc. and H.S.T.)
Mister Chemical	\$3,006,472
Bunzl Canada	\$3,032,708
InOut Cash & Carry	\$3,084,115

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