



BID AWARD PANEL CONTRACT AWARD

Award of Request for Quotation No. 0115-18-0157 to Namtex Canada Inc. for the Non-Exclusive Supply and Delivery of Bed Linens

Date: March 21, 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. 0115-18-0157

Description:

For the non-exclusive supply and delivery of Bed Linens to various Purchasing and Materials Management (Stores) locations from the date of award to February 28, 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:

Namtex Canada Inc.

Contract Award Value:

\$96,533 net of all applicable taxes and charges
\$109,082 including HST and all applicable charges
\$98,232 net of HST recoveries

Contract is expected to start on date of award and end on February 28, 2020

Option Year 1 (March 1, 2020 to February 28, 2021)

\$99,429 net of all applicable taxes and charges
\$112,355 including HST and all applicable charges
\$101,179 net of HST recoveries

Option Year 2 (March 1, 2021 to February 29, 2022)

\$102,412 net of all applicable taxes and charges

\$115,726 including HST and all applicable charges

\$104,214 net of HST recoveries

Option Year 3 (March 1, 2022 to February 28, 2023)

\$105,484 net of all applicable taxes and charges

\$119,197 including HST and all applicable charges

\$107,341 net of HST recoveries

Option Year 4 (March 1, 2023 to February 29, 2024)

\$108,649 net of all applicable taxes and charges

\$122,773 including HST and all applicable charges

\$110,561 net of HST recoveries

The total potential contract award including all option years is \$512,507 net of HST recoveries, \$579,133 including all applicable taxes and charges and \$521,527 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 (IPPI).

FINANCIAL IMPACT

The total potential contract award identified in this report including the option years is \$579,133 including all applicable taxes and charges. The total potential cost to the City including the option years is \$521,527 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 date of award to December 31, 2019 is available in the 2019 Approved Operating Budget for Toronto Paramedic Services (cost centres B46700, C12690) Additional funding will be included in the 2020 Operating Submission for Toronto Paramedic Services. Should the option years be exercised, appropriate additional funding, will be requested in the 2020-2024 Operating Budget submissions. Additional funding details 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 – December 31, 2019	\$81,860	
January 1, 2020 - February 29, 2020	\$16,372	
Total: Contract Period	\$98,232	\$98,232
Total: 2019 Budget Year	\$81,860	
March 1, 2020 – December 31, 2020	\$84,316	
January 1, 2021 – February 28, 2021	\$16,863	
Total: Option Year 1	\$101,179	\$101,179
Total: 2020 Budget Year	\$100,688	
March 1, 2021 – December 31, 2021	\$86,844	
January 1, 2022 – February 28, 2022	\$17,370	
Total: Option Year 2	\$104,214	\$104,214
Total: 2021 Budget Year	\$103,707	
March 1, 2022 – December 31, 2022	\$89,451	
January 1, 2023 – February 28, 2023	\$17,890	
Total: Option Year 3	\$107,341	\$107,341
Total: 2022 Budget Year	\$106,821	
March 1, 2023 – December 31, 2023	\$92,134	
January 1, 2024 – February 29, 2024	\$18,427	
Total: Option Year 4	\$110,561	\$110,561
Total: 2023 Budget Year	\$110,024	
Total: 2024 Budget Year	\$18,427	
Grand Total	\$521,527	\$521,527

CALL SUMMARY

Call Issued: September 17, 2018 **Call Closed:** October 31, 2018

Number of Addenda Issued: Four (4)

Number of Bids: Six (6)

Table 2: Summary of Bids Received for RFQ# 0115-18-0157 including bid price

Bidder Name	Bid Price (including prompt payment discount where applicable and 25% miscellaneous amount) excluding H.S.T.
Namtex Canada Inc.	\$94,602.52 (incl. 2% prompt payment discount)
George Courney Inc.	\$167,667.50

Bidder Name	Bid Price (including prompt payment discount where applicable and 25% miscellaneous amount) excluding H.S.T.
Five Star Enterprise (Option A)	\$202,387.56
Five Star Enterprise (Option B)	\$210,665.06
Supply Line (Option B)	\$276,984.07 (incl. 2% prompt payment discount)
Supply Line (Option A)	\$291,562.18

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 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