



BID AWARD PANEL CONTRACT AWARD

Award of Request for Quotation No. 6619-19-0010 to Cargill Ltd. and Compass Minerals Canada Corp. for Supply, Delivery and Unloading of Bulk Rock Salt, Scarborough & Etobicoke York Districts

Date: July 18, 2019
To: Bid Award Panel
From: Chief Purchasing Officer
Wards: 20, 21, 22, 23, 24 and 25

RECOMMENDATIONS

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

Call Number:
RFQ No. 6619-19-0010

Description:

For the supply, delivery and unloading of bulk, crushed, coarse, common rock salt treated with non-caking agent as and when required during the 2019-2020, 2020-2021 and 2021-2022 winter seasons for Various Districts within the City of Toronto and other Agencies and Corporations.

The Price Form contains four (4) Parts (Part C, Part C1, Part C2 and Part C3) and is being awarded to the lowest bidder meeting specifications per Part. Part C1 and Part C2 exceed the dollar threshold to be awarded at Bid Award Panel and were submitted for award by Infrastructure and Environment Committee on June 27, 2019.

Recommended Bidders:

Cargill Ltd. (Part C)
Compass Minerals Canada Corp. (Part C3)

Contract Award Value:

(Part C) - Cargill Ltd.
\$13,165,211 net of all applicable taxes and charges
\$14,876,688 including HST and all applicable charges
\$13,396,919 net of HST recoveries

Contract is expected to start on October 15, 2019 and end on April 15, 2022.

Contract Award Value:

(Part C3) - Compass Minerals Canada Corp.

\$11,428,785 net of all applicable taxes and charges

\$12,914,528 including HST and all applicable charges

\$11,629,932 net of HST recoveries

Contract is expected to start on October 15, 2019 and end on April 15, 2022.

The total of both contract awards identified in this report is \$27,791,216 including all applicable taxes and charges and \$24,593,996 net of all taxes. **The total cost to the City of both contracts is \$25,026,851 net of HST recoveries.**

FINANCIAL IMPACT

The total potential contract awards identified in this report is \$27,791,216 including all applicable taxes and charges and \$24,593,996 net of all taxes. The cost to the City is \$25,026,851 net of HST recoveries.

Funding is available in the 2019 Approved Operating Budgets for Transportation Services, Parks, Forestry & Recreation, Solid Waste Management Services and Toronto Water. Additional funding will be included in their 2020-2022 annual Operating Budget Submissions. Funding details are summarized in Table 1 as follows:

Table 1: Financial Impact Summary of Recommended Contract

Division/Cost Centre/ Account	October 15, 2019 to December 31, 2019 (net of HST recoveries)	January 1, 2020 to December 31, 2020 (net of HST recoveries)	January 1, 2021 to December 31, 2021 (net of HST recoveries)	January 1, 2022 to April 15, 2022 (net of HST recoveries)	Grand Total (net of HST recoveries)
Transportation Services/ TP0216, TP0161 C/E 2410, 4491, 4492	\$3,213,275	\$7,805,667	\$8,051,127	\$4,789,699	\$23,859,768
Parks, Forestry and Recreation/ PR-PKS/ CE2410	\$138,405	\$336,322	\$347,096	\$206,526	\$1,028,349

Division/Cost Centre/ Account	October 15, 2019 to December 31, 2019 (net of HST recoveries)	January 1, 2020 to December 31, 2020 (net of HST recoveries)	January 1, 2021 to December 31, 2021 (net of HST recoveries)	January 1, 2022 to April 15, 2022 (net of HST recoveries)	Grand Total (net of HST recoveries)
Solid Waste Management Services/ SW0800, SW0810, SW0820, SW0825 / C/E 4467	\$14,231	\$34,581	\$35,677	\$21,219	\$105,708
Toronto Water/ TW4105, TW2055, TW4060, TW4022, C/E 2410, 2499	\$4,452	\$10,818	\$11,143	\$6,613	\$33,026
Totals	\$3,370,363	\$8,187,388	8,445,043	\$5,024,057	\$25,026,851

CALL SUMMARY

Call Issued: March 15, 2019

Call Closed: April 15, 2019

Number of Addenda Issued: None

Number of Bids: Two (2)

Table 2: Summary of Bids Received for RFQ No. 6619-19-0010 including bid price

Bidder per District	Bid Price (including H.S.T.)
Part C	
Cargill Ltd.	\$14,876,688
K & S Windsor Salt Ltd.	\$17,499,496
Compass Minerals Canada Corp.	\$17,966,096

Bidder per District	Bid Price (including H.S.T.)
Part C1 K & S Windsor Salt Ltd. Compass Minerals Canada Corp. Cargill Ltd.	 \$14,290,270 \$18,722,790 \$22,387,382
Part C2 K & S Windsor Salt Ltd. Compass Minerals Canada Corp. Cargill Ltd.	 \$13,065,707 \$17,109,330 \$19,710,211
Part C3 Compass Minerals Canada Corp. Cargill Ltd. K & S Windsor Salt Ltd.	 \$12,914,528 \$13,626,933 \$13,805,950

DIVISION CONTACTS

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Edison Alexander, Acting Manager, Road Operations Transportation Services, 416-396-4823, Edison.Alexander@toronto.ca

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