BA37.1

BID AWARD PANEL CONTRACT AWARD

Award of Request for Quotation No. 1669551201 to Supply Line for the supply and delivery of Poly/Wool Socks

Date: July 25, 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 Number 1669551201

Description:
For the non-exclusive supply and delivery of Poly/Wool Socks to various Purchasing and Materials Management (Stores) locations from the date of award to June 30, 2020, with the option to renew the Contract for additional four (4) years period at the sole discretion of the City and subject to budget approval(s).

Prior to the renewal of the contract, PMMD will perform a market analysis to verify the current market conditions as compared to the proposed increase by the vendor and that the Stores Division will monitor vendor performance during the first term of the contract.

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

Recommended Bidder:
Supply Line

Contract Award Value:
$130,815 net of all applicable taxes and charges (including 25% for misc. items)
$147,821 including HST and all applicable charges
$133,117 net of HST recoveries

Contract is expected to start on date of award and end on June 30, 2020

Option Year 1 (July 1, 2020 to June 30, 2021)
$134,739 net of all applicable taxes and charges (including 25% for misc. items)
$152,255 including all applicable taxes and charges
$137,110 net of HST recoveries

Option Year 2 (July 1, 2021 to June 30, 2022)
$138,782 net of all applicable taxes and charges (including 25% for misc. items)
$156,824 including all applicable taxes and charges
$141,225 net of HST recoveries

Option Year 3 (July 1, 2022 to June 30, 2023)
$142,945 net of all applicable taxes and charges (including 25% for misc. items)
$161,528 including all applicable taxes and charges
$145,461 net of HST recoveries

Option Year 4 (July 1, 2023 to June 30, 2024)
$147,233 net of all applicable taxes and charges (including 25% for misc. items)
$166,373 including all applicable taxes and charges
$149,824 net of HST recoveries

The total potential contract award including all option years is $706,737 net of HST recoveries, $784,801 including all applicable taxes and charges and $694,514 net of all applicable taxes and charges.

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

FINANCIAL IMPACT

The total potential contract award identified in this report including the option year is $784,801 including all applicable taxes and charges. The total potential cost to the City including the option years is $706,737 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 Toronto Fire Services Operating Budget.

Funding of $77,651, representing the amount required from the date of award to December 31, 2019, is included in cost element 2670, and is available in the ' 2019 Approved Operating Budget for Toronto Fire Services; Funding of $55,466 for the 6-month term of the contract will be included in the Program's 2020 Operating Budget Submission. Should all the option years be exercised, the additional funding requirements will be included in the future-years' Operating Budget Submissions.

The details are as follows:

Table 1: Financial Impact Summary of Recommended Contract

Period	Cost Centre FR0019	Total (net of HST Recoveries)
Date of Award - December 31, 2019	$77,651	
January 1, 2020 - June 30, 2020	$55,466	
Total: Contract Period	$133,117	$133,117
Total: 2019 Budget Year	$77,651	
July 1, 2020 to December 31, 2020	$79,980	
January 1, 2021 - June 30, 2021	$57,130	
Total: Option Year 1	$137,110	$137,110
Total: 2020 Budget Year	$135,446	
July 1, 2021 to December 31, 2021	$82,381	
January 1, 2022 - June 30, 2022	$58,844	
Total: Option Year 2	$141,225	$141,225
Total: 2021 Budget Year	$139,511	
July 1, 2022 to December 31, 2022	$84,852	
January 1, 2023 - June 30, 2023	$60,609	
Total: Option Year 3	$145,461	$145,461
Total: 2022 Budget Year	$143,696	
July 1, 2023 to December 31, 2023	$87,398	
January 1, 2024 - June 30, 2024	$62,426	
Total: Option Year 4	$149,824	$149,824
Total: 2023 Budget Year	$148,007	
Total: 2024 Budget Year	$62,426	
Grand Total	$706,737	$706,737

CALL SUMMARY

Call Issued: February 27, 2019 Call Closed: April 4, 2019
Number of Addenda Issued: 1
Number of Bids: 1

Table 2: Summary of Bids Received (net of all taxes and charges)

Bidder Name	Bid Price (including 25% Miscellaneous)
Supply Line	$130,815

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