



BID AWARD PANEL CONTRACT AWARD

Award of Request for Quotation (RFQ) 0202-18-0343 to Mister Chemical Ltd for the Non-Exclusive Supply and Delivery of Disposable Dining Supplies

Date: August 8, 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. 0202-18-0343

Description:

For the non-exclusive supply and delivery Disposable Dining Supplies to various Purchasing and Materials Management (Stores) locations from the date of award to July 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 Director of Purchasing and Materials Management to process the renewals under the same terms and conditions.

Recommended Bidder:

Mister Chemical Ltd.

Contract Award Value:

\$327,209 net of all applicable taxes and charges (including 25% for misc. items)

\$369,746 including HST and all applicable charges

\$332,968 net of HST recoveries

Contract is expected to start on date of award and end on July 31, 2020

Option Year 1 (August 1, 2020 to July 31, 2021)

\$337,026 net of all applicable taxes and charges (including 25% for misc. items)

\$380,839 including all applicable taxes and charges

\$342,958 net of HST recoveries

Option Year 2 (August 1, 2021 to July 31, 2022)
\$347,136 net of all applicable taxes and charges (including 25% for misc. items)
\$392,264 including all applicable taxes and charges
\$353,246 net of HST recoveries

Option Year 3 (August 1, 2022 to July 31, 2023)
\$357,551 net of all applicable taxes and charges (including 25% for misc. items)
\$404,033 including all applicable taxes and charges
\$363,844 net of HST recoveries

Option Year 4 (August 1, 2023 to July 31, 2024)
\$368,277 net of all applicable taxes and charges (including 25% for misc. items)
\$416,153 including all applicable taxes and charges
\$374,759 net of HST recoveries

The total potential contract award including all option years is \$1,767,774 net of HST recoveries, \$1,963,035 including all applicable taxes and charges and \$1,737,199 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 year is \$1,963,035 including all applicable taxes and charges. The total potential cost to the City including the option years is \$1,767,774 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 Approved Operating Budgets and additional funding will be requested in their 2020 Operating Budget Submissions. Should all the option years be exercised, appropriate additional funding, will be requested in their 2020-2024 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	\$138,737	
January 1, 2020 – July 31, 2020	\$194,231	
Total: Contract Period	\$332,968	\$332,968
Total: 2019 Budget Year	\$138,717	
August 1, 2020 to December 31, 2020	\$142,899	
January 1, 2021 – July 31, 2021	\$200,058	
Total: Option Year 1	\$342,958	\$342,958
Total: 2020 Budget Year	\$337,130	
August 1, 2021 to December 31, 2021	\$147,186	
January 1, 2022 – July 31, 2022	\$206,060	
Total: Option Year 2	\$353,246	\$353,246
Total: 2021 Budget Year	\$347,244	
August 1, 2022 to December 31, 2022	\$151,601	
January 1, 2023 – July 31, 2023	\$212,242	
Total: Option Year 3	\$363,844	\$363,844
Total: 2022 Budget Year	\$357,662	
August 1, 2023 to December 31, 2023	\$156,149	
January 1, 2024– July 31, 2024	\$218,609	
Total: Option Year 4	\$374,759	\$374,759
Total: 2023 Budget Year	\$368,391	
Total: 2024 Budget Year	\$218,609	
Grand Total		\$1,767,774

CALL SUMMARY

Call Issued: November 13, 2018
Number of Addenda Issued: 2
Number of Bids: Three (3)

Call Closed: December 13, 2018

Table 2: Summary of Bids Received for RFQ 0202-18-0343 including bid price

Bidder Name	Bid Price (including 25% Miscellaneous and H.S.T.)
Mister Chemical Ltd	\$327,209
Gordon Food Service (GFS)	\$454,427
InOut Cash and Carry	Non-Compliant*

Extended prices were corrected for mathematical errors. Purchasing and Materials Management has verified that the mathematical errors were corrected.

* Bidder was found non-compliant upon evaluation.

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