



BID AWARD PANEL CONTRACT AWARD

Award of Request for Quotation (RFQ) No.0103-19-0030 to Nitsom Promotional Manufacturing Corporation for Non-exclusive supply and delivery of Tilley Hats, Baseball Hats and Toques

Date: January 23, 2020

To: Bid Award Panel

From: Chief Purchasing Officer, Purchasing and Materials Management

Wards: All

RECOMMENDATIONS

The Chief Purchasing Officer, Purchasing and Materials Management recommends that the Bid Award Panel grant authority to award the following contract:

Call Number:

RFQ No. 0103-19-0030

Description:

For the non-exclusive supply and delivery of Tilley Hats, Baseball Hats and Toques to various Purchasing and Materials Management (Stores) locations from the date of award to November 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(s):

Nitsom Promotional Manufacturing Corporation

Contract Award Value:

\$163,209 net of all applicable taxes and charges (including 25% for miscellaneous items)

\$184,427 including HST and all applicable charges

\$166,082 net of HST recoveries

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

Option Year 1 (December 1, 2020 to November 30, 2021)

\$168,106 net of all applicable taxes and charges (including 25% for miscellaneous items)

\$189,959 including all applicable taxes and charges

\$171,064 net of HST recoveries

Option Year 2 (December 1, 2021 to November 30, 2022)

\$173,149 net of all applicable taxes and charges (including 25% for miscellaneous items)

\$195,658 including all applicable taxes and charges

\$176,196 net of HST recoveries

Option Year 3 (December 1, 2022 to November 30, 2023)

\$178,343 net of all applicable taxes and charges (including 25% for miscellaneous items)

\$201,528 including all applicable taxes and charges

\$181,482 net of HST recoveries

Option Year 4 (December 1, 2023 to November 30, 2024)

\$183,694 net of all applicable taxes and charges (including 25% for miscellaneous items)

\$207,574 including all applicable taxes and charges

\$186,927 net of HST recoveries

The total potential contract award including all option years is \$881,751 net of HST recoveries, \$979,146 including all applicable taxes and charges and \$866,501 net of all applicable taxes and charges.

FINANCIAL IMPACT

The total potential contract award identified in this report including all option year's is \$979,146 including all applicable taxes and charges. The total potential cost to the City including the option years \$881,751 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 November 30, 2020 has been included in the appropriate Divisions' 2020 Staff Recommended or Approved Operating Budgets, and should the option years be exercised, appropriate additional funding will be requested in their 2021-2024 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)
January 1, 2020 - November 30, 2020	\$166,082	
Total: Contract Period	\$166,082	\$166,082
December 1, 2020 to December 31, 2020	\$14,255	
January 1, 2021 - November 30, 2021	\$156,809	
Total: Option Year 1	\$171,064	\$171,064
Total: 2020 Budget Year	\$166,497	
December 1, 2021 to December 31, 2021	\$14,683	
January 1, 2022 - November 30, 2022	\$161,513	
Total: Option Year 2	\$176,196	\$176,196
Total: 2021 Budget Year	\$171,492	
December 1, 2022 to December 31, 2022	\$15,124	
January 1, 2023 - November 30, 2023	\$166,359	
Total: Option Year 3	\$181,482	\$181,482
Total: 2022 Budget Year	\$176,637	
December 1, 2023 to December 31, 2023	\$15,577	
January 1, 2024 - November 30, 2024	\$171,349	
Total: Option Year 4	\$186,927	\$186,927
Total: 2023 Budget Year	\$181,936	
Total: 2024 Budget Year	\$171,349	
Grand Total	\$881,751	\$881,751

CALL SUMMARY

Call Issued: February 05, 2019 Call Closed: April 12, 2019

Number of Addenda Issued: 9

Number of Bids: 5

Table 2: Summary of Bids Received

Bidder Name	Bid Price (including 25% Miscellaneous & H.S.T.)
Nitsom Promotional Mfg. Corp	\$184,426.59
Five Star Enterprise	\$237,183.12

Bidder Name	Bid Price (including 25% Miscellaneous & H.S.T.)
CIMA LTCI CORP	\$303,342.50
TRIM TAG TRADING CORP.	\$309,248.87
OUTDOOR OUTFITS LTD.	\$389,009.92

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