



BID AWARD PANEL CONTRACT AWARD

Award of Request for Quotation No. 0501-19-0012 to Belco Safety Products Ltd for the Supply and Delivery of Prescription Safety Eyewear, suitable for use by various City of Toronto Divisions and Toronto Transit Commission.

Date: January 30, 2020
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:
Request for Quotation No. 0501-19-0012

Description:
For RFQ 0501-19-0012 for the Supply and Delivery of supply, fitting and delivery of Prescription Safety Eyewear, suitable for use by various City of Toronto Divisions and Toronto Transit Commission, from Date of Award to February 28, 2021, with the option to renew the Contract for four (4) additional one (1) year periods.

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 Divisions will monitor vendor performance during the first term of the contract.

Should the option(s) to renew be exercised, then individual participating Divisions will request the Chief Purchasing Officer of Purchasing and Materials Management to process the necessary contract renewals under the same terms and conditions.

Recommended Bidder:
Belco Safety Products Ltd

Contract Award Value:
\$ 471,104 net of all applicable taxes and charges
\$ 532,348 including HST and all applicable charges
\$ 479,395 net of HST recoveries

Contract is expected to start March 1st, 2020, and end on February 28th, 2021.

Option Year 1: (March 1, 2021 to February 28, 2022)
\$ 485,237 net of all applicable taxes and charges
\$ 548,318 including HST and all applicable charges
\$ 493,777 net of HST recoveries

Option Year 2: (March 1, 2022 to February 28, 2023)
\$ 499,794 net of all applicable taxes and charges
\$ 564,768 including HST and all applicable charges
\$ 508,589 net of HST recoveries

Option Year 3: (March 1, 2023 to February 29, 2024)
\$ 514,788 net of all applicable taxes and charges
\$ 581,711 including HST and all applicable charges
\$ 523,848 net of HST recoveries

Option Year 4: (March 1, 2024 to February 28, 2025)
\$ 530,232 net of all applicable taxes and charges
\$ 599,162 including HST and all applicable charges
\$ 539,563 net of HST recoveries

The total potential contract award including all option years is \$2,545,172 net of HST recoveries, \$2,826,305 including all applicable taxes and charges, and \$2,501,155 net of all applicable taxes and charges.

The above cost calculations for the Option Period reflects an estimated annual 3% increase as per the Consumer Price Index.

Toronto Transit Commission also participated in this Call and will be seeking their own authority.

FINANCIAL IMPACT

The total contract award identified in this report including all option years is \$2,826,305 including all applicable taxes and charges. The cost to the City is \$2,545,172 net of HST recoveries.

Funding for the initial contract period has been included in the 2020 Staff Recommended and/or Approved Operating Budgets for the Programs identified in Table 1 to follow. Should the optional periods be exercised, then additional funding will be requested in their 2021-2025 Operating Budget submissions.

In the table below, the total estimated annual values per division do not include the Belco Safety Products Ltd. discount offered but do include the CPI 3% increase for each Option Year. (See Comments Section for further explanation)

Table 1: Financial Impact Summary of Recommended Contract (net of HST recoveries)

Division	G/L	Cost Centre	Initial Year	Option Year 1	Option Year 2	Option Year 3	Option Year 4	Total Contract Term
			March 1, 2020 to February 28th, 2021	March 1, 2021 to February 28th, 2022	March 1, 2022 to February 28th, 2023	March 1, 2023 to February 28th, 2024	March 1, 2024 to February 28th, 2025	
Toronto Water	2665 2082	TW2055- TW2060 TW6050 TW7010 TW7015 TW7020 TW7050	\$94,783	\$97,626	\$100,555	\$103,572	\$106,679	\$503,215
Fire Services	2670	FR0019	\$150,145	\$154,649	\$159,288	\$164,067	\$168,989	\$797,138
Corporate Real Estate Management	2865	FA100-30	\$135,725	\$139,797	\$143,991	\$148,311	\$152,760	\$720,584
Parks, Forestry & Recreation	2665	PR-A	\$32,914	\$33,901	\$34,918	\$35,966	\$37,045	\$174,744
Transportation Services	2865	TP0111 TP0164 TP0192 TP0219 TP0399	\$33,187	\$34,183	\$35,208	\$36,264	\$37,352	\$176,194

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			March 1, 2020 to February 28th, 2021	March 1, 2021 to February 28th, 2022	March 1, 2022 to February 28th, 2023	March 1, 2023 to February 28th, 2024	March 1, 2024 to February 28th, 2025	
Solid Waste Management Services	4403/ 4424	SW0800 SW0805 SW0810 SW0820 SW0825 SW0830 SW0835 SW0709 SW0710 SW0715 SW0718 SW1030 SW1040 SW1050 SW1060 SW0739 CSW930	\$21,362	\$22,003	\$22,663	\$23,343	\$24,043	\$113,414
Fleet Services	2665	FL1005 FL1006 FL1502 FL1503 FL1507 FL1602 FL1604 FL1606 FL1702 FL1820 FL4001 FL1908	\$2,499	\$2,574	\$2,651	\$2,731	\$2,813	\$13,268
Toronto Paramedic Services	2665	B46700	\$7,552	\$7,779	\$8,012	\$8,252	\$8,500	\$40,095
Toronto Building Services	2665	BL0005 BL0006 BL0007 BL0008	\$1,228	\$1,265	\$1,303	\$1,342	\$1,383	\$6,520

Division	G/L	Cost Centre	Initial Year	Option Year 1	Option Year 2	Option Year 3	Option Year 4	Total Contract Term
			March 1, 2020 to February 28th, 2021	March 1, 2021 to February 28th, 2022	March 1, 2022 to February 28th, 2023	March 1, 2023 to February 28th, 2024	March 1, 2024 to February 28th, 2025	
Total Cost			\$479,395	\$493,777	\$508,589	\$523,848	\$539,563	\$2,545,172

CALL SUMMARY

Call Issued: June 27, 2019

Call Closed: July 29, 2019

Number of Addenda Issued: (5)

Number of Bids: (1)

Table 2: Summary of Bids Received for 0501-19-0012- including bid price.

Bidder	Bid Price PART A (including H.S.T.)
Belco Safety Products Ltd	\$ 412,273.90 (incl. Volume Rebate 5% + Prompt Payment 1.5% net 30 days)
	Bid Price PART B (including H.S.T.)
Belco Safety Products Ltd	\$109,426.62 (incl. Volume Rebate 5% + Prompt Payment 1.5% net 30 days)

DIVISION CONTACTS

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COMMENTS

In any given year the City purchases a wide range of products in volumes that can change significantly from year to year. In order to provide a process that is fair to vendors and provides the City with the best prices, bids were requested based on a percent (%) discount off the Belco Safety Inc. Price Guide for eight (8) different categories with a representative annual estimate of divisional usage. The recommended Bidder's weighed average discount for the total yearly dollar value is the highest, resulting in the lowest cost to the City.

The potential contract award per Division is based on the Divisions estimated spend per category, based on their estimated usage as noted above. The bidders discount offered for each category is used for evaluation purposes only.

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