



BID AWARD PANEL CONTRACT AWARD

Award of Doc No. 2079914799 to Mister Chemical Ltd. for the provision of Housekeeping and Laundry Chemicals for The City of Toronto's Seniors Services and Long-Term Care

Date: February 13th, 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:

Solicitation Number:
Doc Number 2079914799

Description:

For RFP 0211-19-0139 the provision of housekeeping and laundry chemical for various City of Toronto's Seniors Services and Long-Term Care locations from the date of award for a period of a one (1) 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).

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 Seniors Services and Long-Term Care will monitor vendor performance during the first term of the contract.

Should the option(s) be exercised, the Director of Management Services, Seniors Services and Long-Term Care will request the Chief Purchasing Officer of Purchasing and Materials Management to process the renewals under the same terms and conditions.

Recommended Supplier:
Mister Chemical Ltd.

Contract Award Value:

\$116,995 net of all applicable taxes and charges (including 5% of miscellaneous items)
\$132,204 including HST and all applicable charges
\$119,054 net of HST recoveries

Contract is expected to start on date of award and end on March 31, 2021.

Option Year 1 (April 1, 2021 to March 31, 2022)
\$120,505 net of all applicable taxes and charges (including 5% of miscellaneous items)
\$136,171 including HST and all applicable charges
\$122,626 net of HST recoveries

Option Year 2 (April 1, 2022 to March 31, 2023)
\$124,120 net of all applicable taxes and charges (including 5% of miscellaneous items)
\$140,256 including HST and all applicable charges
\$126,305 net of HST recoveries

Option Year 3 (April 1, 2023 to March 31, 2024)
\$127,844 net of all applicable taxes and charges (including 5% of miscellaneous items)
\$144,464 including HST and all applicable charges
\$130,094 net of HST recoveries

Option Year 4 (April 1, 2024 to March 31, 2025)
\$131,679 net of all applicable taxes and charges (including 5% of miscellaneous items)
\$148,797 including HST and all applicable charges
\$133,997 net of HST recoveries

The total potential cost to the City including all option years is \$632,076 net of HST recoveries, \$701,893 including all applicable taxes and charges and \$621,147 net of all applicable taxes and charges.

The above cost calculations for the Option Years reflect an estimated 3% increase as per the Consumer Price Index (CPI).

FINANCIAL IMPACT

The total contract award identified in this report is \$701,893 including all applicable taxes and charges. The cost to the City is \$632,076 net of HST recoveries.

Funding is available in the 2020 Staff Recommended Operating Budget for Seniors Services and Long-Term Care Division. Additional funding will be included in the 2021 Operating Budget Submission for Seniors Services and Long-Term Care.

Should the City choose to exercise its option to renew for an additional four (4) separate one (1) year periods, then appropriate additional funding, if needed, will be included in the 2021-2025 annual Operating Budget Submissions for Seniors Services and Long-Term Care.

Funding details follow in Table 1:

Table 1: Financial Impact Summary of Recommended Contract

Period	Cost Centre/ Cost Element D3*041, D3*051 C/E 2499 Total including 5% for miscellaneous items (net of HST Recoveries)
Date of Award to December 31, 2020	\$89,290
January 1, 2021 to March 31, 2021	\$29,764
Total: Contract Period	\$119,054
Total: 2020 Budget Year	\$89,290
April 1, 2021 to December 31, 2021	\$91,970
January 1, 2022 to March 31, 2022	\$30,656
Total: Option Period 1	\$122,626
Total: 2021 Budget Year	\$121,733
April 1, 2022 to December 31, 2022	\$94,728
January 1, 2023 to March 31, 2023	\$31,576
Total: Option Period 2	\$126,305
Total: 2022 Budget Year	\$125,385
April 1, 2023 to December 31, 2023	\$97,571
January 1, 2024 to March 31, 2024	\$32,524
Total: Option Period 3	\$130,091
Total: 2023 Budget Year	\$129,147
April 1, 2024 to December 31, 2024	\$100,497

Period	Cost Centre/ Cost Element D3*041, D3*051 C/E 2499 Total including 5% for miscellaneous items (net of HST Recoveries)
January 1, 2025 to March 31, 2025	\$33,499
Total: Option Period 4	\$133,997
Total: 2024 Budget Year	\$133,021
Total: 2025 Budget Year	\$33,499
Grand Total (net of HST recoveries)	632,076

SOLICITATION SUMMARY

Call Issued: November 8th, 2019

Call Closed: December 19th, 2019

Number of Addenda Issued: 5

Number of Bids: 4

Table 2: Summary of Proposals Received for RFP DOC2079914799

Mister Chemical Ltd*
Ecolab Co.*
Wood Wyant Inc.
Veritiv Corporation

Range of Scores

Of the four (4) proposals received, only the highest two (2) scoring proposals from the technical evaluation stage had their cost envelopes opened. Of these two (2) the highest scoring proposal received 83.8 points out of 100 while the lowest scoring proposal received 75.17 points out of 100.

*Indicates two (2) highest scoring proposals who had their cost envelopes opened.

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 highest scoring Supplier based on the evaluation criteria included in the Solicitation and meeting the requirements of the solicitation;
- 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 Solicitation 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 Solicitations are on the file in the Purchasing and Materials Management Division.

SIGNATURE

Michael Pacholok
Chief Purchasing Officer