



BID AWARD PANEL CONTRACT AWARD

Award of Request for Quotation No. 9117-19-7130 to SNF Canada Ltd. and Quadra Chemicals Ltd. for Polymer for Biosolids Dewatering and Waste Activated Sludge Thickening for the Ashbridges Bay Treatment Plant

Date: February 26, 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:
RFQ No. 9117-19-7130

Description:

Non-exclusive supply and delivery of Water Soluble Polyelectrolyte (Polymer) for Biosolids Dewatering and Waste Activated Sludge Thickening for the City of Toronto's Ashbridges Bay Treatment Plant for a period of three (3) years, from the date of award and ending December 31, 2022 with the option to renew the Contract for two (2) additional separate one (1) year periods at the sole discretion of the City.

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

Recommended Bidders:

Biosolids Dewatering to SNF Canada Ltd.
Waste Activated Sludge Thickening to Quadra Chemicals Ltd.

Contract Award Value:

Biosolids Dewatering: SNF Canada Ltd.
Date of Award to December 31, 2022
\$6,805,200 net of all applicable taxes and charges
\$7,689,876 including HST and all applicable charges
\$6,924,972 net of HST recoveries

Option Period 1: January 1, 2023 to December 31, 2023
\$2,268,400 net of all applicable taxes and charges
\$2,563,292 including HST and all applicable charges
\$2,308,324 net of HST recoveries

Option Period 2: January 1, 2024 to December 31, 2024
\$2,268,400 net of all applicable taxes and charges
\$2,563,292 including HST and all applicable charges
\$2,308,324 net of HST recoveries

The total potential cost to the City including all option years is \$11,541,620 net of HST recoveries. The total potential contract award including all options years is \$12,816,460 including HST and all applicable charges, \$11,342,000 net of all applicable taxes and charges.

Waste Activated Sludge Thickening: Quadra Chemicals Ltd.

Date of Award to December 31, 2022
\$2,424,600 net of all applicable taxes and charges
\$2,739,798 including HST and all applicable charges
\$2,467,273 net of HST recoveries

Option Period 1: January 1, 2023 to December 31, 2023
\$808,200 net of all applicable taxes and charges
\$913,266 including HST and all applicable charges
\$822,424 net of HST recoveries

Option Period 2: January 1, 2024 to December 31, 2024
\$808,200 net of all applicable taxes and charges
\$913,266 including HST and all applicable charges
\$822,424 net of HST recoveries

The total potential cost to the City including all option years is \$4,112,122 net of HST recoveries. The total potential contract award including all options years is \$4,566,330 including HST and all applicable charges, \$4,041,000 net of all applicable taxes and charges.

The total potential contract award for the two (2) contracts identified in this report is \$17,382,790 including all applicable taxes and charges and \$15,383,000 net of all applicable taxes and charges. **The total potential cost to the City for the two (2) contract awards is \$15,653,742 net of HST recoveries.**

FINANCIAL IMPACT

The total potential contract award for the two (2) contracts identified in this report is \$17,382,790 including all applicable taxes and charges and \$15,383,000 net of all applicable taxes and charges. The total potential cost to the City for the two (2) contract awards is \$15,653,742 net of HST recoveries.

Funding for the initial term of both contracts for 2020 of \$3,130,748 net of HST recoveries is available in the 2020 Approved Operating Budget for Toronto Water.

Funding for the second and third year of the initial term of both contracts of \$3,130,748 (each year) will be requested in the 2021 and 2022 Operating Budget Submissions.

Should the City choose to exercise its option(s) to renew for the additional two (2) separate one (1) year periods, the appropriate funding will be requested in the 2023 and 2024 Toronto Water Operating Budget Submissions.

Table 1: Financial Impact Summary

Cost Centre	Date of Award to Dec 31, 2020	January 1, 2021 to Dec 31, 2021	January 1, 2022 to Dec 31, 2022	Option 1 Jan 1, 2023 to Dec 31, 2023	Option 2 Jan 1, 2024 to Dec 31, 2024	Total (Net of HST Recoveries)
Biosolids Dewatering (SNF Canada Ltd.): Cost Centre TW4022, TW4036, TW4060 - GL 2430	\$2,308,324	\$2,308,324	\$2,308,324	\$2,308,324	\$2,308,324	\$11,541,620
Waste Activated Sludge Thickening (Quadra Chemicals Ltd.): Cost Centre TW4022 and TW4036 GL 2430 and 2120	\$822,424	\$822,424	\$822,424	\$822,424	\$822,424	\$4,112,122
Total	\$3,130,748	\$3,130,748	\$3,130,748	\$3,130,748	\$3,130,748	\$15,653,742

SOLICITATION SUMMARY

Solicitation Issued: May 22, 2019
Number of Addenda Issued: One (1)
Number of Bids: Four (4)

Solicitation Closed: June 21, 2019

In accordance with the Evaluation of Bids in the RFQ, Section 16.0, the Contract is being awarded to the Bidder whose product meets the performance requirements outlined in the RFQ and demonstrated that its product provides the lowest cost of polymer applied per dry tonne of solids processed, and which met the mandatory requirements of the RFQ.

Table 1: Summary of Bids Received for RFQ 9117-19-7130 including bid price

Supplier Names	Bid Price (including H.S.T.) January 1, 2020 to December 31, 2022
Biosolids Dewatering SNF Canada Ltd. Quadra Chemicals Ltd. Jes-Chem Ltd. Brenntag Canada	\$ 7,689,876.00 \$ 8,067,183.00 \$ 8,462,457.00* \$ 10,185,492.30
Waste Activated Sludge Thickening Quadra Chemicals Ltd. Jes-Chem Ltd. SNF Canada Ltd. Brenntag Canada	\$ 2,739,798.00 \$ 2,739,798.00 \$ 2,813,022.00 \$ 3,459,223.80

* Supplier was found non-compliant with mandatory technical requirements.

DIVISION CONTACTS

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Susan Atlin, Manager, Operations Coordination, Wastewater Treatment, Toronto Water Division, 416-392-8858, Susan.Atlin@toronto.ca

COMMENTS

As detailed in the RFQ, the selection of the Polymer was made based on a full-scale evaluation of each Bidder's Polymer performance.

As detailed in the RFQ, the contracts are not being awarded based on the lowest unit price per tonne of polymer. Rather, a selection has been made based on a full-scale evaluation of each polymer's performance, as outlined below.

Bidders were provided access to the Ashbridges Bay Treatment Plant in the summer of 2019. Each bidder was provided with a sample of Ashbridges Bay biosolids and waste activated sludge that they could use to determine their most effective product for the quotation. After quotations were received, the City purchased a small quantity of each bidder's quoted product for full-scale performance testing.

Plant Evaluation Trials were carried out at Ashbridges Bay Treatment Plants in September/October/November 2019 to determine the effectiveness of each product at full-scale. The recommended Bidders are the ones whose product provided the required level of treatment (as specified in the RFQ) for the lowest cost of polymer applied per dry tonne of solids treated, and which met the mandatory requirements of the RFQ.

For the recommended contract award, the following requirements have been met:

a. The firm recommended for award is the lowest Supplier meeting specifications or to 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

Mike Pacholok, Chief Purchasing Officer