



BID AWARD PANEL CONTRACT AWARD

Award of Doc No.2195157928 to Cardinal Health for the supply and delivery of Incontinence Products for The City of Toronto's Senior Services and Long-Term Care.

Date: March 5th, 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 2195157928

Description:

For the RFQ #0505-19-0279 the non-exclusive supply and delivery of Incontinence Products for various Senior Services and Long-Term Care locations from the date of award to April 30, 2021, 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:
Cardinal Health Canada Inc.

Contract Award Value:
\$1,379,997 net of all applicable taxes and charges (including 5% miscellaneous items)

\$1,559,397 including HST and all applicable charges
\$1,404,285 net of HST recoveries

Contract is expected to start on May 1, 2020 and end on April 30, 2021

Option Year 1 (May 1st, 2021 to April 30th, 2022)
\$1,421,397 net of all applicable taxes and charges (including 5% of miscellaneous items)
\$1,606,179 including HST and all applicable charges
\$1,446,414 net of HST recoveries

Option Year 2 (May 1, 2022 to April 30, 2023)
\$1,464,039 net of all applicable taxes and charges (including 5% of miscellaneous items)
\$1,654,364 including HST and all applicable charges
\$1,489,806 net of HST recoveries

Option Year 3 (May 1, 2023 to April 30, 2024)
\$1,507,960 net of all applicable taxes and charges (including 5% of miscellaneous items)
\$1,703,995 including HST and all applicable charges
\$1,534,500 net of HST recoveries

Option Year 4 (May 1, 2024 to April 30, 2025)
\$1,553,199 net of all applicable taxes and charges (including 5% of miscellaneous items)
\$1,755,115 including HST and all applicable charges
\$1,580,535 net of HST recoveries

The total potential cost to the City including all option years is \$7,455,540 net of HST recoveries, \$8,279,049 including all applicable taxes and charges and \$7,326,592 net of all applicable taxes and charges.

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

FINANCIAL IMPACT

The total contract award identified in this report is \$8,279,049 including all applicable taxes and charges. The cost to the City is \$7,455,540 net of HST recoveries.

Funding is available in the 2020 Approved 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*144 / 2880 (net of HST Recoveries)	Total including 5% for miscellaneous items (net of HST Recoveries)
May 1, 2020 to December 31, 2020	\$936,190	
January 1, 2021 to April 30, 2021	\$468,095	
Total: Contract Period	\$1,404,285	\$1,404,285
Total: 2020 Budget Year	\$936,190	
May 1, 2021 to December 31, 2021	\$964,276	
January 1, 2022 to April 30, 2022	\$482,138	
Total: Option Period 1	\$1,446,414	\$1,446,414
Total: 2021 Budget Year	\$1,432,371	
May 1, 2022 to December 31, 2022	\$993,204	
January 1, 2023 to April 30, 2023	\$496,602	
Total: Option Period 2	\$1,489,806	\$1,489,806
Total: 2022 Budget Year	\$1,475,342	
May 1, 2023 to December 31, 2023	\$1,023,000	
January 1, 2024 to April 30, 2024	\$511,500	
Total: Option Period 3	\$1,534,500	\$1,534,500
Total: 2023 Budget Year	\$1,519,602	
May 1, 2024 to December 31, 2024	\$1,053,690	

Period	Cost Centre/ Cost Element D3*144 / 2880 (net of HST Recoveries)	Total including 5% for miscellaneous items (net of HST Recoveries)
January 1, 2025 to April 30, 2025	\$526,845	
Total: Option Period 4	\$1,580,535	\$1,580,535
Total: 2024 Budget Year	\$1,565,190	
Total: 2025 Budget Year	\$526,845	
Grand Total (net of HST recoveries)		\$7,455,540

SOLICITATION SUMMARY

Solicitation Issued: January 15, 2020 **Solicitation Closed:** February 18, 2020

Number of Addenda Issued: (1)

Number of Bids: 2

Table 2: Summary of Bids Received

Supplier Name	Bid Price (including H.S.T.)
Cardinal Health Canada Inc.	\$1,351,477.21 (incl. Volume Rebate 9%)
Medical Mart	\$1,379,975.44 (incl. Volume Rebate 6% + 2% Prompt Payment)

DIVISION CONTACTS

Elena Caruso, Manager, Goods & Services, Purchasing & Materials Management,
416-392-7316, Elena.Caruso@toronto.ca

Michael Nguyen, Manager, Advanced Nursing Practice, Seniors Service & Long-Term
Care, 416-392-7674, Michael.Nguyen@toronto.ca

COMMENTS

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

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