



BID AWARD PANEL CONTRACT AWARD

Award of Ariba Doc No. 2214523291 to Sherwin Williams Paints Canada for supply and delivery of Various Paint Products for Purchasing and Materials Management Division (Stores)

Date: July 29, 2020
To: Bid Award Panel
From: Chief Procurement Officer
Wards: All

RECOMMENDATIONS

The Chief Procurement Officer recommends that the Bid Award Panel grant authority to award the following contract:

Solicitation Number:
Ariba Doc No. 2214523291

Description:
Ariba Doc No. 2214523291 (RFQ # 1105-20-0101) for the non-exclusive supply and delivery of Various Paint Products to various Purchasing and Materials Management (Stores) locations from the date of award to July 31, 2021, with the option to renew the Contract for four (4) additional one (1) year period, all in accordance with the provisions and specifications contained in this Request for Quotation (RFQ).

Should the option(s) be exercised, then the Manager of Materials Management and Stores will request the Chief Procurement Officer to process the renewals under the same terms and conditions.

Recommended Supplier:
Sherwin Williams Paints Canada (Part A, B and E)

Contract Award Value:
\$192,510 net of all applicable taxes and charges (including 25% for miscellaneous items)
\$217,536 including HST and all applicable charges
\$195,898 net of HST recoveries

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

Option Year 1 (August 1, 2021 to July 31, 2022)
\$198,285 net of all applicable taxes and charges
\$224,062 including all applicable taxes and charges
\$201,775 net of HST recoveries

Option Year 2 (August 1, 2022 to July 31, 2023)
\$204,234 net of all applicable taxes and charges
\$230,784 including all applicable taxes and charges
\$207,828 net of HST recoveries

Option Year 3 (August 1, 2023 to July 31, 2024)
\$210,361 net of all applicable taxes and charges
\$237,707 including all applicable taxes and charges
\$214,063 net of HST recoveries

Option Year 4 (August 1, 2024 to July 31, 2025)
\$216,671 net of all applicable taxes and charges
\$244,839 including all applicable taxes and charges
\$220,485 net of HST recoveries

The total potential contract award including all option years is \$1,040,049 net of HST recoveries, \$1,154,928 including all applicable taxes and charges and \$1,022,060 net of all applicable taxes and charges.

The above cost calculations for the option years reflect an estimated 3% increase in the Consumer Price Index.

Additionally:

Pro Glo Plaints Ltd., being the lowest bidder for Part C will be awarded a contract for \$135,127 net of all applicable taxes and charges, including all option years. PPG being the lowest bidder for Part D will be awarded a contract for \$110,081, net of all applicable taxes and charges, including all option years, all in accordance with the Purchasing By-Law 195-8, Toronto Municipal Code Chapter 195 Article 8.1 – Authority to award – Chief Procurement Officer.

FINANCIAL IMPACT

The total potential contract award identified in this report including the option year is \$1,154,928 including all applicable taxes and charges. The total potential cost to the City including the option years is \$1,040,049 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 the date of award to December 31, 2020 is available in the appropriate Divisions' 2020 Approved Operating Budgets and should all the option years be

exercised, appropriate additional funding will be requested in their 2021-2025 Operating Budget Submissions. The details are as follows:

Table 1: Financial Impact Summary of Recommended Contract

Balance Sheet Account	Date of Award – December 31, 2020	January 1, 2021 – July 31, 2021	Option Year 1: August 1, 2021 to July 31, 2022	Option Year 2: August 1, 2022 to July 31, 2023	Option Year 3: August 1, 2023 to July 31, 2024	Option Year 4: August 1, 2024 to July 31, 2025	Total (net of HST Recoveries)
160004, 160026, 160049, 160067, 160068, 160082, 160083, 160085, 160171	\$81,624	\$114,274	\$201,775	\$207,828	\$214,063	\$220,485	\$1,040,049

SOLICITATION SUMMARY

Solicitation Issued: February 11, 2020

Solicitation Closed: March 10, 2020

Number of Addenda Issued: 2

Number of Bids: 6

Table 2A: Summary of Bids Received for Ariba Doc No. 2214523291 including bid price: Part A

Bidder Name	Bid Price (including 25% Miscellaneous Line and prompt payment discount)
Sherwin Williams Paints Canada	\$103,415.79 (2% prompt pmt)
Pro Glo Paints Ltd.	\$104,467.20 (2% prompt pmt)
PPG	\$135,103.63
AV Coatings Ltd.	\$206,521.43 (incl. 1% prompt pmt)
Selectone Paints inc *	Non-Compliant

Table 3B: Summary of Bids Received for Ariba Doc No. 2214523291 including bid price:
Part B

Bidder Name	Bid Price (including 25% Miscellaneous Line and prompt payment discount)
Sherwin Williams Paints Canada	\$68,221.25 (2% prompt pmt)
PPG	\$163,125.00

Table 4C: Summary of Bids Received for Ariba Doc No. 2214523291 including bid price: Part C

Bidder Name	Bid Price (including 25% Miscellaneous Line and prompt payment discount)
Pro Glo Paints Ltd.	\$24,942.84
PPG	\$25,379.13
Selectone Paints inc *	Non-Compliant

Table 5D: Summary of Bids Received for Ariba Doc No. 2214523291 including bid price: Part D

Bidder Name	Bid Price (including 25% Miscellaneous Line and prompt payment discount)
PPG	\$20,734.31
Pro Glo Paints Ltd.	\$24,036.22
Sherwin Williams Paints Canada	Non-Compliant

Table 6E: Summary of Bids Received for Ariba Doc No. 2214523291 including bid price:
Part E

Bidder Name	Bid Price (including 25% Miscellaneous Line and prompt payment discount)
Sherwin Williams Paints Canada	\$18,386.94 (2% prompt pmt)
Pro Glo Paints Ltd.	\$19,662.05
GUILLEVIN INTERNATIONAL	\$23,824.25
PPG	\$27,734.00
AV Coatings Ltd.	\$37,051.06 (1% prompt pmt)

Bidder Name	Bid Price (including 25% Miscellaneous Line and prompt payment discount)
Selectone Paints inc *	Non-Compliant

* Bidder was found non-compliant with mandatory requirements.

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 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 Procurement Officer