BID AWARD PANEL CONTRACT AWARD

Award of Ariba Doc No. 2302188277 to Glen Chemicals Ltd. for Non-exclusive Supply and Delivery of Bleach and Other Chemicals for Purchasing and Materials Management Division

Date: August 19, 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. 2302188277

Description:
For the non-exclusive supply and delivery of Bleach and Other Chemicals to various Purchasing and Materials Management (Store) locations from the date of award to July 31, 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 Supplier and that the Stores Division will monitor Supplier performance during the first term of the contract.

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

Recommended Supplier:
Glen Chemicals Ltd.

Contract Award Value:
$214,859 net of all applicable taxes and charges (including 25% for miscellaneous items)
$242,790 including HST and all applicable charges

$218,640 net of HST recoveries

Contract is expected to start from Date of Award and end on July 31, 2021.

Option Year 1 (August 1, 2021 to July 31, 2022)
$221,304 net of all applicable taxes and charges (including 25% for miscellaneous items)
$250,074 including HST and all applicable charges
$225,199 net of HST recoveries

Option Year 2 (August 1, 2022 to July 31, 2023)
$227,943 net of all applicable taxes and charges (including 25% for miscellaneous items)
$257,576 including HST and all applicable taxes charges
$231,955 net of HST recoveries

Option Year 3 (August 1, 2023 to July 31, 2024)
$234,782 net of all applicable taxes and charges (including 25% for miscellaneous items)
$265,303 including HST and all applicable charges
$238,914 net of HST recoveries

Option Year 4 (August 1, 2024 to July 31, 2025)
$241,825 net of all applicable taxes and charges (including 25% for miscellaneous items)
$273,262 including HST and all applicable taxes charges
$246,081 net of HST recoveries

The total potential contract award including all option years is $1,160,790 net of HST recoveries, $1,289,006 including all applicable taxes and charges and $1,140,713 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 $1,289,006 including all applicable taxes and charges. The total potential cost to the City is $1,160,790 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 will be included in the appropriate Divisions' 2020 Approved Operating Budget and additional required funding will be included in their 2021 Operating Budget Submissions. Should the option years be exercised, appropriate additional funding, will be requested in their 2021-2024 Operating Budget Submissions. Additional funding details follow in Table 1.

Table 1: Financial Impact Summary of Recommended Contract

Period	Cost Centre 160004, 160026, 160049, 160067, 160068, 160082, 160083, 160085,160171	Total (net of HST Recoveries)
Date of Award to December 31, 2020	$91,100	
January 1, 2021 to July 31, 2021	$127,540	
Total: Contract Period	$218,640	$218,640
Total: 2020 Budget Year	$91,100	
August 1, 2021 to December 31, 2021	$93,833	
January 1, 2022 to July 31, 2022	$131,366	
Total: Option Year 1	$225,199	$225,199
Total: 2021 Budget Year	$221,373	
August 1, 2022 to December 31, 2022	$96,648	
January 1, 2023 to July 31, 2023	$135,307	
Total: Option Year 2	$231,955	$231,955
Total: 2022 Budget Year	$228,014	
August 1, 2023 to December 31, 2023	$99,547	
January 1, 2024 to July 31, 2024	$139,366	
Total: Option Year 3	$238,914	$238,914
Total: 2023 Budget Year	$234,855	
August 1, 2024 to December 31, 2024	$102,534	
January 1, 2025 to July 31, 2025	$143,547	
Total: Option Year 4	$246,081	$246,081
Total: 2024 Budget Year	$241,900	
Total: 2025 Budget Year	$143,547	
Grand Total	$1,160,790	$1,160,790

SOLICITATION SUMMARY

Solicitation Issued: May 19, 2020 **Solicitation Closed:** June 19, 2020
Number of Addenda Issued: None
Number of Bids: Three (3)

Table 2: Summary of Bids Received for Ariba Doc No. 2302188277 including bid price

Supplier Name	Bid Price (including HST and 25% Miscellaneous)
Kencro Chemicals o/a UBA Inc.	$28,589*
Glen Chemicals Ltd.	$242,790
Jutzi Water Technologies Inc.	$437,041

* Supplier was found non-compliant with mandatory requirements.

DIVISION CONTACTS

Sabrina Dipietro, Acting Manager, Goods and Services, Purchasing & Materials Management, 416-397-4809, Sabrina.Dipietro@toronto.ca

Craig Mavin, Manager, Materials Management and Stores, Purchasing & Materials Management, 416-392-6764, Craig.Mavin@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
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> 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