



BID AWARD PANEL CONTRACT AWARD

Award of Ariba Document Number 2537260626 to Staples Business Advantage Canada for the Supply and Delivery of Various Gloves for Purchasing and Materials Management (Stores)

Date: October 8, 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:

Request for Quotation, Ariba Document No.253260626

Description:

For the non-exclusive supply and delivery Various Gloves to various Purchasing and Materials Management (Stores) locations for a period of one (1) year from the date of award, with the option to renew the Contract for additional four (4) years period 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 to process the renewals under the same terms and conditions.

Recommended Supplier:

Staples Business Advantage Canada

Contract Award Value:

\$746,722 net of all applicable taxes and charges (including 25% for misc. items)

\$843,796 including HST and all applicable charges

\$759,864 net of HST recoveries

Contract is expected to start on date of award and end on October 15, 2021

Option Year 1 (October 16, 2021 to October 15, 2022)

\$769,123 net of all applicable taxes and charges (including 25% for misc. items)

\$869,109 including all applicable taxes and charges

\$782,660 net of HST recoveries

Option Year 2 (October 16, 2022 to October 15, 2023)

\$792,197 net of all applicable taxes and charges (including 25% for misc. items)

\$895,183 including all applicable taxes and charges

\$806,140 net of HST recoveries

Option Year 3 (October 16, 2023 to October 15, 2024)

\$815,963 net of all applicable taxes and charges (including 25% for misc. items)

\$922,038 including all applicable taxes and charges

\$830,324 net of HST recoveries

Option Year 4 (October 16, 2024 to October 15, 2025)

\$840,442 net of all applicable taxes and charges (including 25% for misc. items)

\$949,699 including all applicable taxes and charges

\$855,234 net of HST recoveries

The total potential contract award including all option years is \$4,479,825 including all applicable taxes and charges and \$3,964,447 net of all applicable taxes and charges.

The total potential cost to the City is \$4,034,221 net of HST recoveries.

FINANCIAL IMPACT

The total potential contract award identified in this report including the option year is \$4,479,825 including all applicable taxes and charges. The total potential cost to the City including the option years is \$4,034,221 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. Additional details are as follows:

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 – December 31, 2020	\$63,322	
January 1, 2021 – October 15, 2021	\$696,542	
Total: Contract Period	\$759,864	\$759,864
Total: 2020 Budget Year	\$63,322	
October 16, 2021 to December 31, 2021	\$65,222	
January 1, 2022 – October 15, 2022	\$717,438	
Total: Option Year 1	\$782,660	\$782,660
Total: 2021 Budget Year	\$761,764	
October 16, 2022 to December 31, 2022	\$67,178	
January 1, 2023 – October 15, 2023	\$738,961	
Total: Option Year 2	\$806,140	\$806,140
Total: 2022 Budget Year	\$784,617	
October 16, 2023 to December 31, 2023	\$69,194	
January 1, 2024 – October 15, 2024	\$761,130	
Total: Option Year 3	\$830,324	\$830,324
Total: 2023 Budget Year	\$808,155	
October 16, 2024 to December 31, 2024	\$71,269	
January 1, 2025 – October 15, 2025	\$783,964	
Total: Option Year 4	\$855,234	\$855,234
Total: 2024 Budget Year	\$832,400	
Total: 2025 Budget Year	\$783,964	
Grand Total	\$4,034,221	\$4,034,221

SOLICITATION SUMMARY

Solicitation Issued: August 25, 2020 **Solicitation Closed:** September 30, 2020

Number of Addenda Issued: 3

Number of Bids: 4

Table 2: Summary of Bids Received for Ariba Doc No. 2537260626 including bid price:

Bidder Name	Bid Price (including 25% Miscellaneous Line, Prompt Payment Discount and H.S.T.)
Staples Business Advantage Canada	\$843,796
Tenaquip	\$902,709
Canadian Bearings Ltd.	\$1,016,609.44
Insight safety and sports inc.	\$1,637,392 (incl. 2% prompt pmt)

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 and meeting the requirements of the call;
- 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