



BID AWARD PANEL CONTRACT AWARD

Award of Ariba Doc No. 2643791107 to Fanchem Ltd dba PVS Benson for the supply and delivery of Hydrofluosilicic Acid for Toronto Water Division

Date: December 17, 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 (RFQ) No. DOC2643791107

Description:
The supply and delivery of Hydrofluosilicic Acid for the City of Toronto's Toronto Water Division, for a period of one (1) year and nine (9) months from date of award with an option to renew the contract by two (2) additional separate one (1) year periods, all in accordance with the provisions and specifications contained in the Request for Quotation.

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

Recommended Supplier:
Part A: Fanchem Ltd dba PVS Benson
Part B: Fanchem Ltd dba PVS Benson

Contract Award Value:
Part A: Fanchem Ltd dba PVS Benson
From January 1, 2021 to September 30, 2022

\$1,168,700 net of all applicable taxes and charges
\$1,320,631 including HST and all applicable charges
\$1,189,269 net of HST recoveries

Option Year 1 - October 1, 2022 to September 30, 2023
\$687,863 net of all applicable taxes and charges
\$777,286 including HST and all applicable charges

\$699,970 net of HST recoveries

Option Year 2 - October 1, 2023 to September 30, 2024

\$708,499 net of all applicable taxes and charges

\$800,604 including all applicable taxes and charges

\$720,969 net of HST recoveries

The total potential cost for Part A including all optional years is \$2,610,208 net of HST recoveries. The total potential contract award is \$2,565,063 net of all applicable taxes and charges, and \$2,898,521 including all applicable taxes and charges.

Part B: Fanchem Ltd dba PVS Benson

From January 1, 2021 to September 30, 2022

\$255,200 net of all applicable taxes and charges

\$288,376 including HST and all applicable charges

\$259,692 net of HST recoveries

Option Year 1 - October 1, 2022 to September 30, 2023

\$150,203 net of all applicable taxes and charges

\$169,730 including HST and all applicable charges

\$152,847 net of HST recoveries

Option Year 2 - October 1, 2023 to September 30, 2024

\$154,710 net of all applicable taxes and charges

\$174,822 including all applicable taxes and charges

\$157,433 net of HST recoveries

The total potential cost for Part B including all optional years is \$569,971 net of HST recoveries. The total potential contract award is \$560,113 net of all applicable taxes and charges, and \$632,928 including all applicable taxes and charges.

The total potential cost to the City including all optional years for both Parts is \$3,180,179 net of HST recoveries. The total potential contract award is \$3,125,176 net of all applicable taxes and charges, and \$3,531,449 including all applicable taxes and charges.

Contract is expected to start on January 1, 2021 and end on September 30, 2022 with the option to renew the Contract for two (2) additional separate one (1) year period.

The above cost calculations for the Option Year Periods reflects an estimated annual 3% increase as per the Consumer Price Index (CPI)

FINANCIAL IMPACT

The total potential contract award identified in this report is \$3,531,449 including all applicable taxes and charges. The total potential cost to the City is \$3,180,179 net of HST recoveries.

The engineering estimate is \$1,326,170 (Part A) and \$451,540 (Part B) for the initial term net of all taxes and charges. The total engineering estimate is \$1,777,710 net of all taxes and charges.

Funding for 2021 is available in the 2021 Approved Operating Budget for Toronto Water. Additional funding for the balance of this contract award will be included in Toronto Waters' 2022 Operating Budget Submission. Should the optional periods be exercised, appropriate additional funding will be requested in the 2022-2024 Operating Budget Submissions for Toronto Water. Funding details are summarized in Table 1 as follows:

Table 1: Financial Impact Summary of Recommended Contract (Net of HST Recoveries)

Cost Centre/ Cost Element	Initial Year		Optional Period 1 (October 1, 2022 to September 30, 2023)	Optional Period 2 (October 1, 2023 to September 30, 2024)	Total Award (net of HST Recoveries)
	January 1, 2021 to December 31, 2021	January 1, 2022 to September 30, 2022			
TW7030 TW7045 TW7015 TW7060 C/Es 2450, 2431	\$827,978	\$620,983	\$852,817	\$878,401	\$3,180,179
Total (net of HST Recoveries)					\$3,180,179

SOLICITATION SUMMARY

Solicitation Issued: October 2, 2020

Solicitation Closed: November 12, 2020

Number of Addenda Issued: Four (4)

Number of Bids: Three (3)

Table 2: Summary of Bids Received for Ariba Doc No. 2643695424 including bid price

Supplier	Part A - Bid Price (including H.S.T.)	Part B - Bid Price (including H.S.T.)
Fanchem Ltd dba PVS BENSON	\$1,320,631.00	\$288,376.00
Brenntag Canada Inc.	\$1,821,831.20	\$646,450.40
Univar Solutions	\$1,571,383.65	No Bid

DIVISION CONTACTS

Allison Phillips, Manager, Professional Services, Purchasing & Materials Management,
647-882-9803, Allison.Phillips.@toronto.ca

William Fernandes, Director Water Treatment & Supply, 416-392-8220,
William.Fernandes@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 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

Michael Pacholok, JD
Chief Procurement Officer
Purchasing and Materials Management Division