



BID AWARD PANEL CONTRACT AWARD

Award of Ariba Doc No. 2519550243 to Brenntag Canada Inc for the supply and delivery of Liquid Chlorine for Toronto Water Division

Date: December 16, 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. DOC2519550243

Description:
The supply and delivery of Liquid Chlorine for the City of Toronto's Toronto Water Division, for a period of two (2) years 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.

Note: 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:
Brenntag Canada Inc

Contract Award Value:
\$3,881,831 net of all applicable taxes and charges
\$4,386,469 including HST and all applicable charges
\$3,950,152 net of HST recoveries

Contract is expected to start on January 1, 2021 and end September 30, 2023.

Option Year 1 - October 1, 2023 to September 30, 2024
\$1,453,922 net of all applicable taxes and charges
\$1,642,932 including HST and all applicable charges
\$1,479,511 net of HST recoveries

Option Year 2 - October 1, 2024 to September 30, 2025
 \$1,497,540 net of all applicable taxes and charges
 \$1,692,220 including all applicable taxes and charges
 \$1,523,897 net of HST recoveries

The total potential cost to the City including all optional years is \$6,953,559 net of HST recoveries. The total potential contract award is \$6,833,293 net of all applicable taxes and charges, and \$7,721,622 including all applicable taxes and charges.

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 \$7,721,622 including all applicable taxes and charges. The total potential cost to the City is \$6,953,559 net of HST recoveries.

The engineering estimate for the initial term is \$3,913,064.38 net of all taxes and charges.

Funding is available in the 2021 Approved Operating Budget for Toronto Water. Additional funding for the balance of the contract will be included in Toronto Waters' 2022-2023 Operating Budget Submissions. Should the optional periods be exercised, appropriate additional funding will be requested in the 2023-2025 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)

WBS Element & Account Name	Initial Term			Optional Period 1 (October 1, 2023 to September 30, 2024)	Optional Period 2 (October 1, 2024 to September 30, 2025)
	January 1, 2021 to December 31, 2021	January 1 2022 to December 31, 2022	January 1 2023 to September 30, 2023		
TW7030 TW7045 TW7015 TW7060 C/E 2415 & 2215	\$1,436,419	\$1,436,419	\$1,077,314	\$1,479,511	\$1,523,897
Total (net of HST Recoveries)					\$6,953,559

SOLICITATION SUMMARY

Solicitation Issued: July 21, 2020 **Solicitation Closed:** August 25, 2020
Number of Addenda Issued: One (1)
Number of Bids: Two (2)

Table 2: Summary of Bids Received for Ariba Doc No. 2519550243 including bid price

Bidder	Bid Price (including H.S.T.)
BRENNTAG CANADA INC.	\$4,386,469.31
Southern Engineers	\$22,071,982.08

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