



REPORT FOR ACTION

Amendment to Blanket Contract No. 47022687 issued to Mister Chemical Ltd. for the Provision of Housekeeping and Laundry Chemicals to Long-Term Care Homes

Date: November 17, 2020

To: Economic and Community Development Committee

From: Interim General Manager, Seniors Services and Long-Term Care and
Chief Procurement Officer, Purchasing & Materials Management

Wards: All

SUMMARY

The purpose of the report is to request authority to amend Contract No. 47022687 issued to Mister Chemical Ltd. The contract is set up as an initial year (February 21, 2020 to March 31, 2021), with four (4) one year optional terms. The total potential contract value for all five years stands at \$621,143 net of all taxes. This report requests an amendment to increase the contract value by \$1,285,000.00 spread out across the initial term and the four (4) optional years. The total potential value of the contract would increase from \$621,143 to \$1,906,143, net of all applicable taxes and charges.

The requested contract amendment is required as a result of the COVID-19 pandemic, additional disinfectant products, hand sanitizer dispensers and hand sanitizer needed to respond to the pandemic within the City's directly operated long-term care homes. The prolonged and significant increase in product usage was not anticipated and has resulted in the need to increase the contract value and procurement. Additional provincial funding has been received to off-set the increased costs associated with the COVID-19 pandemic response.

RECOMMENDATIONS

The Interim General Manager, Seniors Services and Long-Term Care and the Chief Procurement Officer recommends that:

1. In accordance with Section 71-11.1C of the City of Toronto Municipal Code Chapter 71 (Financial Control By-Law) Economic and Community Development Committee grant authority to amend Contract No. 47022687 issued to Mister Chemical Ltd. for the provision of Housekeeping and Laundry Chemicals to Long-Term Care Homes, by an additional amount of \$1,285,000 net of all taxes (\$1,307,617 net of HST recoveries) based on the following:

- Increasing the initial term of the contract (February 21, 2020 to March 31, 2021) by \$481,330 net of HST recoveries from \$119,054 (net of HST recoveries) to \$600,384 (net of HST recoveries);
- Increasing the first option year (April 1, 2021 to March 31, 2022) by \$197,505 net of HST recoveries from \$122,626 (net of HST recoveries) to \$320,131 (net of HST recoveries);
- Increasing the second option year (April 1, 2022 to March 31, 2023) by \$203,430 net of HST recoveries from \$126,305 (net of HST recoveries) to \$329,735 (net of HST recoveries);
- Increasing the third option year (April 1, 2023 to March 31, 2024) by \$209,533 net of HST recoveries from \$130,094 (net of HST recoveries) to \$339,627 (net of HST recoveries);
- Increasing the fourth option year (April 1, 2024 to March 31, 2025) by \$215,819 net of HST recoveries from \$133,997 (net of HST recoveries) to \$349,816 (net of HST recoveries);

FINANCIAL IMPACT

The requested amendment increases the overall contract (No. 47022687), including the 4 option periods, by \$1,285,000.00 or \$1,307,616 (net of HST recoveries) to \$1,939,692 (net of all HST recoveries). This increase is a result of increased usage associated with the pandemic response in the City's directly operated long-term care homes. Additional funding has been received by the province to off-set the additional expense in the current year.

	February 21, 2020 to March 31, 2021	April 1, 2021 to March 31, 2022	April 1, 2022 to March 31, 2023	April 1, 2023 to March 31, 2024	April 1, 2024 to March 31, 2025	Total (Net of HST Recoveries)
Amendment Amount Operating: D3*041 and D3*051 2499	\$481,330	\$197,505	\$203,430	\$209,533	\$215,819	\$1,307,617
Overall contract amended value	\$600,384	\$320,131	\$329,735	\$339,627	\$349,816	\$1,939,693

Funding for these disinfectant products is included in the 2021 Operating Budget Submission for Seniors Services and Long-Term Care. Should the City chose to exercise the option periods, funding will be included in the future-year Operating Submissions for consideration as part of the annual budget process.

The Chief Financial Officer and Treasurer has been advised of the financial impacts associated with this program to be considered along with other priorities as part of the annual budget process.

DECISION HISTORY

On February 19th, 2020, Bid Award Panel adopted Item 67.6, Award of Doc Number 2079914799 to Mister Chemical Ltd. for the Provision of Housekeeping and Laundry Chemicals for The City of Toronto's Seniors Services and Long-Term Care.
<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2020.BA67.6>

COMMENTS

Contract No. 47022687 was awarded to Mister Chemical Ltd. for the non-exclusive supply and delivery of Housekeeping and Laundry Chemicals for The City of Toronto's Seniors Services and Long-Term Care.

As a result of the COVID-19 pandemic, additional disinfectant products, hand sanitizer dispensers and hand sanitizer needed to be obtained to respond to the pandemic. The prolonged and significant increase in product usage was not anticipated and has resulted in the need to increase the contract value. Additional provincial funding has been received to partially off-set the increased costs associated with the COVID-19 pandemic response.

The total potential contract value for all five years stands at \$621,143 net of all taxes. This report requests an amendment to increase the contract value by \$1,285,000.00 spread out across the initial term and the option years. The total potential value of the contract would increase from \$621,143 to \$1,906,143 net of all taxes.

CONTACT

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SIGNATURE

(Original signed by)

Paul Raftis
General Manager (I),
Seniors Services and Long-Term Care

(Original signed by)

Michael Pacholok
Chief Procurement Officer
Purchasing & Materials Management