



BID AWARD PANEL CONTRACT AWARD

Award of Ariba Doc Number 2628085685 to Cardinal Health, Medline Canada Corp o/a Medical Mart Supplies Ltd and Medical Pharmacies Group Ltd (OMS) for Personal and Medical Products for various City of Toronto Shelters

Date: February 4th, 2021
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 Number 2628085685

Description:

For the non-exclusive supply and delivery of all Personal and Medical Products at various City of Toronto's Shelters, operated by the Shelter, Support & Housing Administration Division for the period of one year from the date of award, with an option to renew for two (2) additional separate one (1) year period at the sole discretion of the City and subject to budget approval(s).

Should the option(s) be exercised, then the General Manager of Shelter, Support & Housing Administration will request the Chief Purchasing Officer to process the renewals under the same terms and conditions.

The award is for up to three (3) contracts to three (3) Respondents in part to each of the three lowest bidders accepted meeting all the mandatory requirements and specifications of the RFQ. The Total amount of each contract for the initial term + 2 option years will be awarded by each Part (A), (B) and (C) as follows:

Recommended Supplier:

Part A Cardinal Health Canada Inc.
Part B Medline Canada Corp o/a Medical Mart Supplies Ltd.
Part C Medical Pharmacies Group Ltd. (OMS)

Cardinal Health Canada, Part A

Contract Award Value:

\$54,728 net of all applicable taxes and charges

\$61,842 including HST and all applicable charges

\$55,691 net of HST recoveries

The contract is expected to start on date of award and end on April 30, 2022

Option Year 1 (May 1, 2022 to April 30, 2023)

\$56,370 net of all applicable taxes and charges

\$63,698 including HST and all applicable charges

\$57,362 net of HST recoveries

Option Year 2 (May 1, 2023 to April 30, 2024)

\$58,061 net of all applicable taxes and charges

\$65,609 including HST and all applicable charges

\$59,083 net of HST recoveries

The total potential contract award including option years for Part A is \$169,159 net of all applicable taxes and charges and \$191,149 including all applicable taxes and charges.

The total potential cost to the City including option years for Part A is \$172,136 net of HST recoveries.

Medline Canada Corp O/A Medical Mart Supplies Ltd, Part B

Contract Award Value:

\$78,871 net of all applicable taxes and charges

\$89,125 including HST and all applicable charges

\$80,260 net of HST recoveries

The contract is expected to start on date of award and end on April 30, 2022

Option Year 1 (May 1, 2022 to April 30, 2023)

\$81,238 net of all applicable taxes and charges

\$91,799 including HST and all applicable charges

\$82,667 net of HST recoveries

Option Year 2 (May 1, 2023 to April 30, 2024)

\$83,675 net of all applicable taxes and charges

\$94,552 including HST and all applicable charges

\$85,147 net of HST recoveries

The total potential contract award including option years for Part B is \$243,784 net of all applicable taxes and charges and \$275,476 including all applicable taxes and charges.

The total potential cost to the City including option years for Part B is \$248,074 net of HST recoveries.

Medical Pharmacies Group Ltd. (OMS), Part C

Contract Award Value:

\$41,264 net of all applicable taxes and charges
\$46,628 including HST and all applicable charges
\$41,990 net of HST recoveries

The contract is expected to start on date of award and end on April 30, 2022

Option Year 1 (May 1, 2022 to April 30, 2023)
\$42,502 net of all applicable taxes and charges
\$48,027 including HST and all applicable charges
\$43,250 net of HST recoveries

Option Year 2 (May 1, 2023 to April 30, 2024)
\$43,777 net of all applicable taxes and charges
\$49,468 including HST and all applicable charges
\$44,548 net of HST recoveries

The total potential contract award including option years for Part C is \$127,542 net of all applicable taxes and charges and \$144,124 including all applicable taxes and charges.
The total potential cost to the City including option years for Part C is \$129,788 net of HST recoveries.

The contract is expected to start on date of award and end on April 30, 2022

The total potential contract award including all option years for all awards is \$610,748 including all applicable taxes and charges and \$540,485 net of all applicable taxes and charges.
The total potential cost to the City including all option years for all awards is \$549,998 net of HST recoveries

The above cost calculations for the Option Years reflect an estimated annual 3% increase as per the Consumer Price Index (CPI).

FINANCIAL IMPACT

Cardinal Health, Part A

The total potential contract award identified in this report including option years is \$191,149 including all applicable taxes and charges. The total potential cost to the City including option years is \$172,136 net of HST recoveries.

Funding has been included in the 2021 Staff Recommended Operating Budget for Shelter, Support and Housing Administration. Additional funding for the remainder of the contract period will be requested in their 2022 Operating Budget Submission.

Should the City chose to exercise its options to renew for the two (2) additional one (1) year periods, additional funds will be included in the 2022-2024 Shelter, Support and

Housing Administration Division's Operating Budget submissions. The details are as follows:

Table 1: Cardinal, Part A-Financial Impact Summary of Recommended Contract

Period	Cost Element: 2855 Cost Centre: F01132, F03324, F01324, F03072, FH5521, F01224 F01132, F03324	Total (net of HST Recoveries)
May 1, 2021 to December 31, 2021	\$ 37,127	
January 1, 2022 to April 30, 2022	\$ 18,564	
Total: Contract Period	\$ 55,691	\$ 55,691
May 1, 2022 to December 31, 2022	\$ 38,241	
January 1, 2023 to April 30, 2023	\$ 19,121	
Total: Option Year 1	\$ 57,362	\$ 57,362
Total: 2022 Budget Year	\$ 56,805	
May 1, 2023 to December 31, 2023	\$ 39,388	
January 1, 2024 to April 30, 2024	\$ 19,695	
Total: Option Year 2	\$ 59,083	\$ 59,083
Total: 2023 Budget Year	\$ 58,509	
Total: 2024 Budget Year	\$ 19,694	
Total		\$ 172,136

Medline Canada Corp O/A Medical Mart Supplies Ltd, Part B

The total potential contract award identified in this report including option years is \$275,476 including all applicable taxes and charges. The total potential cost to the City including option years is \$248,074 net of HST recoveries.

Funding has been included in the 2021 Staff Recommended Operating Budget for Shelter, Support and Housing Administration. Additional funding for the remainder of the contract period will be requested in their 2022 Operating Budget Submission.

Should the City chose to exercise its options to renew for the two (2) additional one (1) year periods, additional funds will be included in the 2022-2024 Shelter, Support and Housing Administration Division's Operating Budget submissions. The details are as follows:

Table 2: Medline Canada Corp O/A Medical Mart Supplies Ltd, Part B-Financial Impact Summary of Recommended Contract

Period	Cost Element: 2820 Cost Centre: F03073, F01124, F01336, F01224, F03336	Total (net of HST Recoveries)
May 1, 2021 to December 31, 2021	\$ 53,506	
January 1, 2022 to April 30, 2022	\$ 26,754	
Total: Contract Period	\$ 80,260	\$ 80,260
May 1, 2022 to December 31, 2022	\$ 55,111	
January 1, 2023 to April 30, 2023	\$ 27,556	
Total: Option Year 1	\$ 82,667	\$ 82,667
Total: 2022 Budget Year	\$ 81,865	
May 1, 2023 to December 31, 2023	\$ 56,765	
January 1, 2024 to April 30, 2024	\$ 28,382	
Total: Option Year 2	\$ 85,147	\$ 85,147
Total: 2023 Budget Year	\$ 84,321	
Total		\$ 248,074

Medical Pharmacies Group Ltd. (OMS), Part C

The total potential contract award identified in this report including option years is \$144,124 including all applicable taxes and charges. The total potential cost to the City including option years is \$129,788 net of HST recoveries. .

Funding has been included in the 2021 Staff Recommended Operating Budget for Shelter, Support and Housing Administration. Additional funding for the remainder of the contract period will be requested in their 2022 Operating Budget Submission.

Should the City chose to exercise its options to renew for the two (2) additional one (1) year periods, additional funds will be included in the 2022-2024 Shelter, Support and Housing Administration Division's Operating Budget submissions. The details are as follows:

Table 3: Medical Pharmacies Group Ltd. (OMS), Part C-Financial Impact Summary of Recommended Contract

Period	Cost Element: 2820 Cost Centre: F03073, F01124, F01336, F01224, F03336	Total (net of HST Recoveries)
May 1, 2021 to December 31, 2021	\$ 27,993	

January 1, 2022 to April 30, 2022	\$ 13,997	
Total: Contract Period	\$ 41,990	\$ 41,990
May 1, 2022 to December 31, 2022	\$ 28,833	
January 1, 2023 to April 30, 2023	\$ 14,417	
Total: Option Year 1	\$ 43,250	\$ 43,250
Total: 2022 Budget Year	\$ 42,830	
May 1, 2023 to December 31, 2023	\$ 29,699	
January 1, 2024 to April 30, 2024	\$ 14,849	
Total: Option Year 2	\$ 44,548	\$ 44,548
Total: 2023 Budget Year	\$ 44,116	
Total: 2024 Budget Year	\$ 14,849	
Total		\$ 129,788

SOLICITATION SUMMARY

Solicitation Issued: October 21, 2020
Number of Addenda Issued: Seven (7)
Number of Bids: Three (3)

Solicitation Closed: December 16, 2020

Table 4: Summary of Bids Received including bid price for Ariba Doc No. 2628085685

Part A	Bid Price (including H.S.T.)
Cardinal Health	\$191,149
Part B	
Medline Canada Corp o/a Medical Mart Supplies Ltd.	\$275,476
Part C	
Medical Pharmacies Group Ltd. (OMS)	\$144,124

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 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

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