



BID AWARD PANEL CONTRACT AWARD

Award of Ariba Doc. No. 2551456540 to Dayco Distributing Ltd. for the supply and delivery of Kitchen Smallwares for various City of Toronto Divisions

Date: February 11, 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:

Request for Quotation (RFQ), Ariba Doc No. 2551456540

Description:

For the non-exclusive supply and delivery of various kitchen small-wares for various City of Toronto Divisions, for a period of two (2) years from the date of award, with the option to renew the contracts for three (3) additional separate one (1) year periods.

Should the option(s) be exercised, then the General Manager, Seniors Services and Long-Term Care Division will request the Chief Procurement Officer to process the renewals under the same terms and conditions.

Recommended Supplier:

Dayco Distributing Ltd.

Contract Award Value:

\$ 1,358,155 net of all applicable taxes and charges (incl. 25% Contingency amount)

\$ 1,534,715 including HST and all applicable charges

\$ 1,382,058 net of HST recoveries

Contract is expected to start on March 1, 2021 and end on February 28, 2023

Option Year 1 from March 1, 2023 to February 28, 2024

\$699,450 net of all applicable taxes and charges

\$790,378 including all applicable taxes and charges

\$711,760 net of HST recoveries

Option Year 2 from March 1, 2024 to February 28, 2025
\$720,433 net of all applicable taxes and charges
\$814,090 including all applicable taxes and charges
\$733,113 net of HST recoveries

Option Year 3 from March 1, 2025 to February 28, 2026
\$742,046 net of all applicable taxes and charges
\$838,512 including all applicable taxes and charges
\$755,106 net of HST recoveries

The total potential contract award identified in this report including all optional years is \$3,520,084 net of all taxes, and \$3,977,695 including all applicable taxes and charges. **The total potential cost to the City, including all option years, is \$3,582,038 net of HST recoveries.**

The above cost calculations reflect a 25% contingency cost per participating division and 3% CPI adjustment applied annually to the yearly cost after the initial two (2) year period.

FINANCIAL IMPACT

The total potential contract award identified in this report is \$3,977,695 including all applicable taxes and charges. The total potential cost to the City is \$3,582,038 net of HST recoveries.

Funding in the amount of \$269,414 net of HST recoveries has been included in the 2021 Operating Budget Submission for Seniors Services and Long-Term Care Division. Funding in the amount of \$377,179 net of HST recoveries for the balance of the contract period to February 28, 2023 will be included in the 2022-2023 Operating Budget Submission for Seniors Services and Long-Term Care Division.

Funding in the amount of \$177,719 net of HST recoveries has been included in the 2021 Operating Budget Submission for Shelter, Support and Housing Administration. Funding in the amount of \$248,807 net of HST recoveries for the balance of the contract period to February 28, 2023 will be included in the 2022-2023 Operating Budget Submission for Shelter, Support and Housing Administration.

Funding in the amount of \$101,347 net of HST recoveries has been included in the 2021 Operating Budget Submission for Children's Services. Funding in the amount of \$141,885 net of HST recoveries for the balance of the contract period to February 28, 2023 will be included in the 2022-2023 Operating Budget Submission for Children's Services.

A limited amount of the materials in this contract as detailed in Table 3 will be purchased for PMMD Stores inventory purposes. The material value will be held in inventory holding Balance Sheet accounts 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.

Should the City choose to exercise its option to renew for an additional three (3) separate one (1) year periods, then appropriate additional funding, if needed, will be included in the 2023 – 2026 annual Operating Budget Submissions for each participating division. Funding details are provided below:

Table 1: Financial Summary of recommendation – Seniors Services and Long-Term Care Operational Budget

Seniors Services and Long-Term Care SSLTC Operational Budget: D3*031 Cost Element: 2610	Net of HST recoveries
Initial Year Period From March 1, 2021 to December 31, 2021	\$ 269,414
Initial Year Period From January 1, 2022 to December 31, 2022	\$ 323,296
Initial Year Period From January 1, 2023 to February 28, 2023	\$ 53,883
Option Year 1 From March 1, 2023 to February 28, 2024	\$ 332,995
Option Year 2 From March 1, 2024 to February 28, 2025	\$ 342,985
Option Year 3 From March 1, 2025 to February 28, 2026	\$ 353,275
Total Cost from March 1, 2021 to February 28, 2026	\$ 1,675,848

Table 2: Financial Summary of recommendation – Shelter, Support and Housing Administration Operational Budget

Shelter, Support and Housing Administration SSHA Operational Budget: FO1122, FO1222, FO1322, FO3072, FO3222, FO3322, FO3522, FO3622, FO3422 Cost Element: 2610	Net of HST recoveries
Initial Year Period From March 1, 2021 to December 31, 2021	\$177,719
Initial Year Period From January 1, 2022 to December 31, 2022	\$ 213,263
Initial Year Period From January 1, 2023 to February 28, 2023	\$ 35,544
Option Year 1 From March 1, 2023 to February 28, 2024	\$ 219,661
Option Year 2 From March 1, 2024 to February 28, 2025	\$ 226,251
Option Year 3 From March 1, 2025 to February 28, 2026	\$ 233,038
Total Cost from March 1, 2021 to February 28, 2026	\$ 1,105,476

Table 3: Financial Summary of recommendation - Materials Management and Stores Cost Holding Account

Materials Management and Stores Cost Holding Account: 160004, 160026, 160044, 160049, 160067, 160068, 160082, 160083, 160085,160171	Net of HST recoveries
Initial Year Period From March 1, 2021 to December 31, 2021	\$ 27,378
Initial Year Period From January 1, 2022 to December 31, 2022	\$ 32,854
Initial Year Period From January 1, 2023 to February 28, 2023	\$ 5,476
Option Year 1 From March 1, 2023 to February 28, 2024	\$ 33,840
Option Year 2 From March 1, 2024 to February 28, 2025	\$ 34,855
Option Year 3 From March 1, 2025 to February 28, 2026	\$ 35,900
Total Cost from March 1, 2021 to February 28, 2026	\$ 170,302

Table 4: Financial Summary of recommendation – Children's Services Operational Budget

Children's Services Operational Budget: E1413K, E1839K, E1837K, E1840K, E1841K, E1847K, E1842K, E1858K, E1860K, E1893K, E1892K, E2385K, E1888K, E1890K, E1887K, E1851K, E1852K, E1857K, E1866K, E1609K, E1869K, E1855K, E1850K, E1876K, E1845K, E1889K, E2955K, E1863K, E1846K, E4714K, E3537K, E3596K, E1861K, E1871K, E1875K, E1874K, E1838K, E1870K, E1848K, E1873K, E1854K, E1115K, E1853K, E3079K, E1843K, E1885K Cost Element: 2610	Net of HST recoveries
Initial Year Period From March 1, 2021 to December 31, 2021	\$ 101,347
Initial Year Period From January 1, 2022 to December 31, 2022	\$ 121,616
Initial Year Period From January 1, 2023 to February 28, 2023	\$ 20,269
Option Year 1 From March 1, 2023 to February 28, 2024	\$ 125,264
Option Year 2 From March 1, 2024 to February 28, 2025	\$ 129,022
Option Year 3 From March 1, 2025 to February 28, 2026	\$ 132,893
Total Cost from March 1, 2021 to February 28, 2026	\$ 630,412

The Chief Financial Officer and Treasurer has reviewed this report and agrees with the financial impact information.

SOLICITATION SUMMARY

Solicitation Issued: October 20, 2020 **Solicitation Closed:** November 19, 2020
Number of Addenda Issued: One (1)
Number of Bids: One (1)

Table 5: Summary of Bid Received for RFQ, Ariba Document No. 2551456540 including bid price:

Supplier Name	Evaluated Bid Price (including H.S.T.)
Dayco Distributing Ltd.	\$613,886

*Evaluated Bid Price does not contain the 25% contingency shown in the page 1 Contract Award Value

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 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
Chief Procurement Officer