



BID AWARD PANEL CONTRACT AWARD

Award of Ariba Doc No. 2962047211 to K-Dental Inc. for the non-exclusive supply, labour and related parts for the City Toronto's Public Health Division

Date: June 24, 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 No. 2962047211

Description:

For the non-exclusive supply of all labour and related parts for the provision of Dental Equipment Repairs at various Dental Clinics including pick-up and return of repaired equipment on an as and when required basis from date of award to June 30th, 2022 with the option to renew the Contract for four (4) additional separate one (1) year periods at the sole discretions of the City and subject to budget approval(s).

Prior to the renewal of the contract, PMMD will perform a market analysis to verify the current market conditions as compared to the proposed increase by the supplier and that the Toronto Public Health Division will monitor supplier performance during the first term of the contract.

Should the option(s) be exercised, then the Manager of Toronto Public Health will request the Chief Procurement Officer to process the renewals under the same terms and conditions.

Recommended Supplier:
K-Dental Inc.

Contract Award Value:
\$ 118,113 net of all applicable taxes and charges (including 25% for miscellaneous related items)
\$ 133,467 including HST and all applicable charges
\$ 120,192 net of HST recoveries

The contract is expected to start on July 1, 2021 and end on June 30, 2022.

Option Year 1 (July 1, 2022 to June 30, 2023)

\$ 121,656 net of all applicable taxes and charges (including 25% for miscellaneous items)

\$ 137,471 including all applicable taxes and charges

\$ 123,797 net of HST recoveries

Option Year 2 (July 1, 2023 to June 30, 2024)

\$ 125,306 net of all applicable taxes and charges (including 25% for miscellaneous items)

\$ 141,595 including all applicable taxes and charges

\$ 127,511 net of HST recoveries

Option Year 3 (July 1, 2024 to June 30, 2025)

\$ 129,065 net of all applicable taxes and charges (including 25% for miscellaneous items)

\$ 145,843 including all applicable taxes and charges

\$ 131,336 net of HST recoveries

Option Year 4 (July 1, 2025 to June 30, 2026)

\$ 132,937 net of all applicable taxes and charges (including 25% for miscellaneous items)

\$ 150,218 including all applicable taxes and charges

\$ 135,276 net of HST recoveries

The total potential contract award including all option years is \$708,594 including all applicable taxes and charges and \$627,077 net of all applicable taxes and charges.

The total potential cost to the City including all options years for all awards is \$638,111 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

The total contract award identified in this report is \$708,595 including all applicable taxes and charges. The cost to the City is \$638,111 net of HST recoveries.

Funding is available in the 2021 Approved Operating Budget for Toronto Public Health, additional funding will be requested through the 2022 Operating Budget Submission. Should all the option years be exercised, additional funding will be requested in the 2022-2026 Operating Budget Submissions of Toronto Public Health. Additional funding details follow in Table 1.

Table 1: Financial Impact Summary of Recommended Contract

Period	Cost Centres: PH3740 - 20% PH3601 - 34% PH3015 - 46%	Cost Element: CE 4699 Repairs & Maintenance	Total (net of HST Recoveries)
Date of Award – December 31, 2021	\$12,019 \$20,433 \$27,644	\$60,096	
January 1, 2022 to June 30, 2022	\$12,019 \$20,433 \$27,644	\$60,096	
Total: initial Contract Period	\$120,192		\$120,192
Total: 2021 Budget Year	\$60,096		
July 1, 2022 to December 31, 2022	\$12,380 \$21,045 \$28,473	\$61,899	
January 1, 2023 to June 30th, 2023	\$12,380 \$21,045 \$28,473	\$61,899	
Total: Option Year 1	\$123,797		\$123,797
Total: 2022 Budget Year	\$61,899		
July 1, 2023, to December 31, 2023	\$12,751 \$12,677 \$29,328	\$63,756	
January 1, 2024 to June 30, 2024	\$12,751 \$21,677 \$29,328	\$63,756	
Total: Option Year 2	\$127,511		\$127,511
Total: 2023 Budget Year	\$63,756		
July 1, 2024 to December 31, 2024	\$13,134 \$22,327 \$30,208	\$65,669	
January 1, 2025 to June 30, 2025	\$13,134 \$22,327 \$30,208	\$65,669	
Total: Option Year 3	\$131,336		\$131,336
Total: 2024 Budget Year	\$65,669		
July 1, 2025 to December 31, 2025	\$13,528 \$22,997 \$31,113	\$67,638	
January 1, 2026 to June 30, 2026	\$13,528	\$67,638	

	\$22,997 \$31,113		
Total: Option Year 4	\$135,276		\$135,276
Total: 2025 Budget Year	\$67,638		
Total: 2026 Budget Year	\$67,638		
Grand Total	\$638,112		\$638,112

The Chief Financial Officer and Treasurer has reviewed this report and agrees with information included in the Financial Impact section.

SOLICITATION SUMMARY

Solicitation Issued: April 29th, 2021

Solicitation Closed: May 31, 2021

Number of Addenda Issued: None

Number of Bids: 2

Table 2: Summary of Bids Received for Ariba Doc No. 2962047211 including bid price

Supplier	Bid Price (including H.S.T.)
K-Dental Inc.	\$106,773.70
Henry Schein Canada, Inc.	\$108,762.50

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