



BID AWARD PANEL CONTRACT AWARD

Award of Ariba Doc. No 2835396054 to Gordon Food Service Canada Ltd. for the non-exclusive supply and delivery of Coffee, Tea, Juice and Fruit Drink Concentrates for Seniors Services and Long-Term Care & Shelter, Support and Housing Administration

Date: August 12, 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 Proposal (RFP), Ariba Doc. No. 2835396054

Description:

For the non-exclusive supply and delivery of Coffee, Tea, Juice and Fruit Drink Concentrates for various locations of Seniors Services and Long-Term Care Division and Shelter, Support and Housing Administration Division for a period of two (2) years, with the option to renew the contract for three (3) additional separate one (1) year periods.

Should the option(s) be exercised, then the Directors of Seniors Services and Long-Term Care and Shelter, Support and Housing Administration will request the Chief Procurement Officer to process the renewals under the same terms and conditions.

Recommended Supplier:

Gordon Food Service Canada Ltd.

Contract Award Value:

\$1,638,529 net of all applicable taxes and charges (including 9.272% contingency)

\$1,851,537 including HST and all applicable charges

\$1,667,367 net of HST recoveries

Contract is expected to start on date of award and end on August 17, 2023.

Option Year 1 (August 18, 2023 to August 17, 2024)
\$843,842 net of all applicable taxes and charges (including 9.272% contingency)
\$953,542 including HST and all applicable charges
\$858,694 net of HST recoveries

Option Year 2 (August 18, 2024 to August 17, 2025)
\$869,158 net of all applicable taxes and charges (including 9.272% contingency)
\$982,148 including HST and all applicable charges
\$884,455 net of HST recoveries

Option Year 3 (August 18, 2025 to August 17, 2026)
\$895,232 net of all applicable taxes and charges (including 9.272% contingency)
\$1,011,612 including HST and all applicable charges
\$910,988 net of HST recoveries

The total potential contract award including all option years is \$4,798,840 including all applicable taxes and charges and \$4,246,761 net of all applicable taxes and charges.
The potential cost to the City is \$4,321,504 net of HST recoveries.

The above cost calculations reflect a 10% and 5% contingency cost for Seniors Services and Long-Term Care and Shelter, Support and Housing Administration respectively, and a 3% CPI adjustment applied annually to the yearly cost after the initial two (2) year period.

FINANCIAL IMPACT

The total contract award identified in this report is \$4,798,840 including all applicable taxes and charges. The cost to the City is \$4,321,504 net of HST recoveries.

Funding is available in the 2021 Approved Operating Budgets for Senior Services and Long-Term Care and Shelter, Support & Housing Administration. Additional funding will be included in their 2022-2023 Operating Budget Submissions. Should all the optional periods be exercised, appropriate additional funding will be requested in their 2023-2026 Operating Budget submissions. The details are as follows:

Table 1: Financial Impact Summary of Recommended Contract - Seniors Services and Long-Term Care

Seniors Services and Long-Term Care SSLTC Operational Budget: D3*032 Cost Element: 2741	Net of HST Recoveries
Initial Year Period From Date of Award to December 31, 2021	\$239,011
Initial Year Period From January 1, 2022 to December 31, 2022	\$717,033
Initial Year Period From January 1, 2023 to August 17, 2023	\$478,022
Option Year 1 From August 18, 2023 to August 17, 2024	\$738,544

Seniors Services and Long-Term Care SSLTC Operational Budget: D3*032 Cost Element: 2741	Net of HST Recoveries
Option Year 2 From August 18, 2024 to August 17, 2025	\$760,700
Option Year 3 From August 18, 2025 to August 17, 2026	\$783,521
Total (Contract Period and Option Years)	\$3,716,830

Table 2: Financial Impact Summary of Recommended Contract - Shelter, Support and Housing Administration

Shelter, Support and Housing Administration SSHA Operational Budget: FO1122, FO3222, FO3322, FO3522, FO1222, FO1322, FO3072, FO1422, FO3622 Cost Element: 2741	Net of HST Recoveries
Initial Year Period From Date of Award to December 31, 2021	\$38,884
Initial Year Period From January 1, 2022 to December 31, 2022	\$116,651
Initial Year Period From January 1, 2023 to August 17, 2023	\$77,767
Option Year 1 From August 18, 2023 to August 17, 2024	\$120,150
Option Year 2 From August 18, 2024 to August 17, 2025	\$123,755
Option Year 3 From August 18, 2025 to August 17, 2026	\$127,467
Total (Contract Period and Option Years)	\$604,673

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

SOLICITATION SUMMARY

Solicitation Issued: March 12, 2021
Number of Addenda Issued: Three (3)
Number of Bids: Two (2)

Solicitation Closed: April 19, 2021

Table 2: Summary of Proposals Received for RFP Doc. 2835396054

Supplier Name
Canteen*
Gordon Food Service Canada Ltd.

*Supplier did not meet the required minimum technical score, therefore their cost of services envelope was not opened

DIVISION CONTACTS

Elena Caruso, Manager, Corporate Services and Finance & Treasury Services, Tel: 416-392-7316, Email: Elena.Caruso@toronto.ca

Khashayar Amirhosseini, Manager, Food & Dietetic Services, Seniors Services and Long-Term Care, Tel: 416-392-8912, Email: Khashayar.Amirhosseini@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,
Chief Procurement Officer