BID AWARD PANEL
CONTRACT AWARD

Award of Ariba Doc No. 2969533303 to Jutzi Water Technologies Inc., for the Supply and Delivery of Bulk Chlorine for Purchasing and Materials Management Division

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 Quotation (RFQ), Ariba DOC No. 2969533303

Description:
For the non-exclusive supply and delivery of Bulk Chlorine for a one (1) year period from the date of award, with the option to renew the Contract for fourth (4) additional separate one (1) year periods at the sole discretion of the City and subject to budget approval(s).

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

Recommended Supplier:
Jutzi Water Technologies Inc.

Contract Award Value:
$425,000 net of all applicable taxes and charges
$480,250 including HST and all applicable charges
$432,480 net of HST recoveries

Contract is expected to start on date of award and end on July 31, 2022

Option Year 1 (August 1, 2022 to July 31, 2023)
$437,750 net of all applicable taxes and charges
$494,658 including all applicable taxes and charges

$445,454 net of HST recoveries

Option Year 2 (August 1, 2023 to July 31, 2024)
$450,883 net of all applicable taxes and charges
$509,497 including all applicable taxes and charges
$458,818 net of HST recoveries

Option Year 3 (August 1, 2024 to July 31, 2025)
$464,409 net of all applicable taxes and charges
$524,782 including all applicable taxes and charges
$472,583 net of HST recoveries

Option Year 4 (August 1, 2025 to July 31, 2026)
$478,341 net of all applicable taxes and charges
$540,526 including all applicable taxes and charges
$486,760 net of HST recoveries

The total potential contract award including all option years, $2,549,712 including all applicable taxes and charges, and $2,256,383, net of all applicable taxes and charges. **The total potential cost to the City including all option years is $2,296,095 net of HST recoveries.**

The above cost calculations reflect a 3% CPI adjustment applied annually to the yearly cost after the initial year.

FINANCIAL IMPACT

The total potential contract award identified in this report is $2,549,712 including all applicable taxes and charges. The total potential cost to the City is $2,296,095 net of HST recoveries.

The materials on this contract will be purchased for PMMD Stores inventory purposes. The material value will be held in inventory holding Balance Sheet accounts (160004, 160026, 160049, 160067, 160068, 160082, 160083, 160085,160171) 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.

Funding from the date of award to Dec 31, 2021 has been included in 2021 Approved Operating Budget for various Divisions but mostly Parks, Forestry & Recreation. Additional funding for the remainder of the initial contract term will be requested in their 2022 Operating Budget Submissions. Should the option years be exercised, appropriate additional funding will be requested in their 2022-2026 Operating Budget Submissions. Additional details follow in Table 1.

Table 1: Financial Impact Summary of Recommended Contract

Period	Cost Centre 160004, 160026, 160049, 160067, 160068, 160082, 160083, 160085,160171	Total (net of HST Recoveries)
Date of Award – December 31, 2021	$216,240	
January 1, 2022 – July 31, 2022	$216,240	
Total: Contract Period	$432,480	$432,480
Total: 2021 Budget Year	$216,240	
August 1, 2022 to December 31, 2022	$222,727	
January 1, 2023 – July 31, 2023	$222,727	
Total: Option Year 1	$445,454	$445,454
Total: 2022 Budget Year	$438,967	
August 1, 2023 to December 31, 2023	$229,409	
January 1, 2024 – July 31, 2024	$229,409	
Total: Option Year 2	$458,818	$458,818
Total: 2023 Budget Year	$452,136	
August 1, 2024 to December 31, 2024	$236,291	
January 1, 2025 – July 31, 2025	$236,291	
Total: Option Year 3	$472,583	$472,583
Total: 2024 Budget Year	$465,700	
August 1, 2025 to December 31, 2025	$243,380	
January 1, 2026 – July 31, 2026	$243,380	
Total: Option Year 4	$486,760	$486,760
Total: 2025 Budget Year	$479,671	
Total: 2026 Budget Year	$243,380	
Grand Total	$2,296,095	$2,296,095

SOLICITATION SUMMARY

Solicitation Issued: June 4th, 2021 **Solicitation Closed:** July 5th, 2021
Number of Addenda Issued: None
Number of Bids: Two (2)

Table 2: Summary of Bids Received for RFQ, Ariba Doc No. 2969533303 including bid price

Supplier Name	Evaluated Bid Price (including HST)
Jutzi Water Technologies Inc.	$480,250
Glen Chemicals	$559,350

DIVISION CONTACTS

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

Craig Mavin, Manager, Materials Mgmt. and Stores, Tel: 416-392-6764, Email: Craig.Mavin@toronto.ca

COMMENTS

For the recommended contract award, the following requirements have been met:

a. The firm recommended for award is the lowest bidder meeting specifications or to the highest scoring proponent 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