



BID AWARD PANEL CONTRACT AWARD

Award of Ariba Doc. No 2285427281 to Outdoor Outfits Limited for the non-exclusive supply and delivery High Visibility Fire Retardant ARC Clothing for the City of Toronto's Purchasing and Materials Management Division (Part A)

Date: August 19, 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. 2285427281

Description:

For the non-exclusive supply and delivery High Visibility Fire Retardant ARC Clothing and Chainsaw Pants to various Purchasing and Materials Management (PMMD) (Stores) locations from the date of award to July 31, 2022, with the option to renew the Contract for additional four (4) years period at the sole discretion 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 Stores Division will monitor Supplier performance during the first term of the contract.

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:

Outdoor Outfits Limited

Contract Award Value:

\$397,031 net of all applicable taxes and charges (including 25% for miscellaneous items)

\$448,645 including HST and all applicable charges
\$404,019 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)
\$408,942 net of all applicable taxes and charges (including 25% for miscellaneous items)
\$462,105 including all applicable taxes and charges
\$416,140 net of HST recoveries

Option Year 2 (August 1, 2023 to July 31, 2024)
\$421,210 net of all applicable taxes and charges (including 25% for miscellaneous items)
\$475,968 including all applicable taxes and charges
\$428,624 net of HST recoveries

Option Year 3 (August 1, 2024 to July 31, 2025)
\$433,847 net of all applicable taxes and charges (including 25% for miscellaneous items)
\$490,247 including all applicable taxes and charges
\$441,482 net of HST recoveries

Option Year 4 (August 1, 2025 to July 31, 2026)
\$446,862 net of all applicable taxes and charges (including 25% for miscellaneous items)
\$504,954 including all applicable taxes and charges
\$454,727 net of HST recoveries

The total potential contract award including all option years is \$2,381,919 including all applicable taxes and charges and \$2,107,893 net of all applicable taxes and charges.
The potential cost to the City is \$2,144,992 net of HST recoveries.

The above cost calculations for the option years reflect an estimated 3 percent increase in the Consumer Price Index.

Additionally:

The RFQ consisted of three parts: Part A, Part B and Part C. Part C was dedicated to Toronto Transit Commission (TTC) as a result of a joint procurement process. Part B of the RFQ was cancelled as per PMMD's request as the bid validity term of 120 days have expired. Part C of the RFQ was cancelled as per TTC's request as the specifications and requirements have changed.

FINANCIAL IMPACT

The total potential contract award identified in this report including the option year is \$2,107,893 net of all applicable taxes and charges, and \$2,381,919 including all applicable taxes and charges. The total potential cost to the City is \$2,144,992 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 December 31, 2021 has been included in the appropriate Divisions' 2021 Operating Budgets. Additional funding has also been included in their 2022 Operating Budget Submissions. Should all the option years be exercised, appropriate additional funding will be requested in the 2022-2026 Operating Budget Submissions. Additional details follow in Table 1.

Table 1: Financial Impact Summary of Recommended Contract

Contract Period	Cost Centre 160004, 160026, 160049, 160067, 160068, 160082, 160083, 160085,160171	Total (net of HST Recoveries)
Date of Award – December 31, 2021	\$168,341	
January 1, 2022 – July 31, 2022	\$235,678	
Total: Contract Period	\$404,019	\$404,019
Total: 2021 Budget Year	\$168,341	
August 1, 2022 to December 31, 2022	\$173,391	
January 1, 2023 – July 31, 2023	\$242,748	
Total: Option Year 1	\$416,140	\$416,140
Total: 2022 Budget Year	\$409,069	
August 1, 2023 to December 31, 2023	\$178,593	
January 1, 2024 – July 31, 2024	\$250,031	
Total: Option Year 2	\$428,624	\$428,624
Total: 2023 Budget Year	\$421,341	
August 1, 2024 to December 31, 2024	\$183,951	
January 1, 2025 – July 31, 2025	\$257,531	
Total: Option Year 3	\$441,482	\$441,482
Total: 2024 Budget Year	\$433,982	
August 1, 2025 to December 31, 2025	\$189,470	
January 1, 2026 – July 31, 2026	\$265,257	
Total: Option Year 4	\$454,727	\$454,727
Total: 2025 Budget Year	\$447,001	

Total: 2026 Budget Year	\$265,257	
Total (Net of HST recoveries)	\$2,144,992	\$2,144,992

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

SOLICITATION SUMMARY

Solicitation Issued: March 30, 2020

Solicitation Closed: June 17, 2020

Number of Addenda Issued: Six (6)

Number of Bids: Five (5)

Table 2: Summary of Bids Received for Ariba Doc. No. 2285427281 (Part A) including bid price

Supplier Name	Bid Price (including H.S.T.)
AGO INDUSTRIES INC	\$514,951.17*
Esid Rein Group Pty Limited **	\$161,551.37*
MWG Apparel Corp. **	\$815,453.91*
Mark's Commercial, a division of Mark's Work Wearhouse Ltd.	\$616,185.47*
OUTDOOR OUTFITS LIMITED	\$448,645.31*

* Includes a 25% Miscellaneous Line

** Supplier was found non-compliant with mandatory requirements.

DIVISION CONTACTS

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Craig Mavin, Manager, Materials Management & Stores Purchasing & Materials Management Division
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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 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

Sandra Lisi on behalf of Michael Pacholok
Chief Procurement Officer