



BID AWARD PANEL CONTRACT AWARD

Award of Ariba Doc2806891651 to Mister Chemical for the non-exclusive supply and delivery of Paper Bags, Paper Cups and Related Items for Purchasing and Materials Management Division (Stores)

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. 2806891651

Description:

For the non-exclusive supply and delivery Paper Bags, Paper Cups and Related Items to various Purchasing and Materials Management (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).

The RFQ is structured to award contracts to the only supplier based on the bid meeting request.

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:

Mister Chemical Ltd.

Contract Award Value:

\$201,893 net of all applicable taxes and charges (including 25% for miscellaneous items)

\$228,139 including HST and all applicable charges

\$205,446 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)

\$207,950 net of all applicable taxes and charges (including 25% for miscellaneous items)

\$234,983 including all applicable taxes and charges

\$211,609 net of HST recoveries

Option Year 2 (August 1, 2023 to July 31, 2024)

\$214,188 net of all applicable taxes and charges (including 25% for miscellaneous items)

\$242,032 including all applicable taxes and charges

\$217,958 net of HST recoveries

Option Year 3 (August 1, 2024 to July 31, 2025)

\$220,614 net of all applicable taxes and charges (including 25% for miscellaneous items)

\$249,293 including all applicable taxes and charges

\$224,496 net of HST recoveries

Option Year 4 (August 1, 2025 to July 31, 2026)

\$227,232 net of all applicable taxes and charges (including 25% for miscellaneous items)

\$256,772 including all applicable taxes and charges

\$231,231 of HST recoveries

The total potential contract award including all option years is \$1,211,220 including all applicable taxes and charges and \$1,071,876 net of all applicable taxes and charges.

The potential cost to the City is \$1,090,741 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 including the option year is \$1,071,876 net of all applicable taxes and charges, and \$1,211,220 including all applicable taxes and charges. The total potential cost to the City is \$1,090,741 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 Approved Operating Budgets and additional funding will be included in their 2022 Operating Budget Submission. Should 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

Period	Cost Centre 160004, 160026, 160049, 160067, 160068, 160082, 160083, 160085,160171	Total (net of HST Recoveries)
Date of Award – December 31, 2021	\$85,603	
January 1, 2022 – July 31, 2022	\$119,844	
Total: Contract Period	\$205,446	\$205,446
Total: 2021 Budget Year	\$85,603	
August 1, 2022 to December 31, 2022	\$88,171	
January 1, 2023 – July 31, 2023	\$123,439	
Total: Option Year 1	\$211,609	\$211,609
Total: 2022 Budget Year	\$208,014	
August 1, 2023 to December 31, 2023	\$90,816	
January 1, 2024 – July 31, 2024	\$127,142	
Total: Option Year 2	\$217,958	\$217,958
Total: 2023 Budget Year	\$214,255	
August 1, 2024 to December 31, 2024	\$93,540	
January 1, 2025 – July 31, 2025	\$130,956	
Total: Option Year 3	\$224,496	\$224,496
Total: 2024 Budget Year	\$220,682	
August 1, 2025 to December 31, 2025	\$96,346	
January 1, 2026 – July 31, 2026	\$134,885	
Total: Option Year 4	\$231,231	\$231,231
Total: 2025 Budget Year	\$227,303	
Total: 2026 Budget Year	\$134,885	
Grand Total	\$1,090,741	\$1,090,741

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

SOLICITATION SUMMARY

Solicitation Issued: May 13, 2021
Number of Addenda Issued: None
Number of Bids: One (1)

Solicitation Closed: June 10, 2021

Table 2: Summary of Bids Received for Ariba Doc. No. 2806891651 including bid price

Supplier Name	Evaluated Bid Price (including H.S.T.)
Mister Chemical Ltd.	\$330,479.16 * **

* Includes a 25% Miscellaneous Line

** 5 of 51 line items on the Pricing Form were removed as the requirements have changed

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 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 solicitation are on the file in the Purchasing and Materials Management Division.

SIGNATURE

Sandra Lisi on behalf of Michael Pacholok,
Chief Procurement Officer