



BID AWARD PANEL CONTRACT AWARD

Award of Ariba Doc No. 2961523796 to Orthodont Ltd. for the non-exclusive Supply, Delivery and Warranty of Dental Lab Services for Toronto Public Health

Date: September 9, 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. 2961523796

Description:

For the non-exclusive supply, delivery, and warranty of Dental Laboratory Services for the City of Toronto's Public Health Division, for a period of one (1) year, with an option in favour of the City to extend the agreement on the same terms and conditions for three (3) additional one (1) year terms.

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 vendor and that the Stores Division will monitor vendor performance during the first term of the contract.

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

Recommended Supplier:

Orthodont Ltd.

Contract Award Value:

\$1,925,039 net of all applicable taxes and charges (including 5% for miscellaneous items)

\$2,175,294 including HST and all applicable charges

\$1,958,919 net of HST recoveries

Contract is expected to start on date of award and end on September 30, 2022.

Option Year 1 (October 1, 2022 to September 30th, 2023)
 \$1,982,790 net of all applicable taxes and charges (including 5% miscellaneous items)
 \$2,240,552 including all applicable taxes and charges
 \$2,017,687 net of HST recoveries

Option Year 2 (October 1, 2023 to September 30, 2024)
 \$2,042,273 net of all applicable taxes and charges (including 5% miscellaneous items)
 \$2,307,769 including all applicable taxes and charges
 \$2,078,217 net of HST recoveries

Option Year 3 (October 1, 2024 to September 30, 2025)
 \$2,103,542 net of all applicable taxes and charges (including 5% miscellaneous items)
 \$2,377,002 including all applicable taxes and charges
 \$2,140,564 net of HST recoveries

The total potential contract award including all option years is \$9,100,617 including all applicable taxes and charges and \$8,053,644 net of all applicable taxes and charges.
The total potential cost to the City including all options years for all awards is \$8,195,387 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 potential contract award identified in this report is \$9,100,617 including all applicable taxes and charges. The potential cost to the City is \$8,195,387 net of HST recoveries.

Funding is available in the 2021 Approved Operating Budget for Toronto Public Health and additional funding will be included in their 2022 Operating Budget Submission. Should all the optional years be exercised, additional funding will be requested in their 2022-2025 Operating Budget Submissions of Toronto Public Health. Additional funding details follow Table 1.

Table 1: Financial Impact Summary of Recommended Contract

Period	Cost Centres: PH3015 PH3601 PH3768	Cost Element: 4424 4447 3060	Total (net of HST Recoveries)
October 1, 2021 to December 31, 2021	\$86,730 \$30,000 \$373,000	\$489,730	
January 1, 2022 to September 30, 2022	\$1,200,522 \$20,000 \$248,667	\$1,469,219	

Total: Initial Contract Period	\$1,958,919		\$1,958,919
Total: 2021 Budget Year	\$489,730		
October 1, 2022 to September 30, 2023	\$1,614,687 \$30,000 \$373,000		\$2,017,687
Total: Option Year 1	\$2,017,687		
October 1, 2023 to September 30, 2024	\$1,675,217 \$30,000 \$373,000		\$2,078,217
Total: Option Year 2	\$2,078,217		
October 1, 2024 to September 30, 2025	\$1,737,564 \$30,000 \$373,000		\$2,140,564
Total: Option Year 3	\$2,140,564		
Grand Total	\$8,195,387		\$8,195,387

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

SOLICITATION SUMMARY

Solicitation Issued: June 15, 2021
Number of Addenda Issued: Two (2)
Number of Bids: 1

Solicitation Closed: July 19, 2021

Table 2: Summary of Bids Received for Ariba Doc No. 2961523796 including bid price

Supplier Name	Bid Price (excluding H.S.T.)
Orthodont Ltd.	\$1,833,370.00

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 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