



BID AWARD PANEL CONTRACT AWARD

Award of Ariba Document Number 3039555785 to Mister Chemical Ltd. for the Non-Exclusive Supply and Delivery of Rock Salt, Sand and De-Icer Products for City Stores

Date: September 22, 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 Document Number 3039555785

Description:

For the non-exclusive supply and delivery of Rock Salt, Sand and De-Icer Products to various Purchasing and Materials Management (Stores) locations from the date of award to October 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).

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

Recommended Bidder or Proponent:

Mister Chemical Ltd.

Contract Award Value:

\$419,053 net of all applicable taxes and charges (including 25% for miscellaneous items)
\$473,530 including HST and all applicable charges
\$426,428 net of HST recoveries

Contract is expected to start on November 1, 2021 and end on October 31, 2022

Option Year 1 (November 1, 2022 to October 31, 2023)
\$431,624 net of all applicable taxes and charges (including 25% for miscellaneous items)
\$487,735 including all applicable taxes and charges
\$439,221 net of HST recoveries

Option Year 2 (November 1, 2023 to October 31, 2024)
\$444,573 net of all applicable taxes and charges (including 25% for miscellaneous items)
\$502,367 including all applicable taxes and charges
\$452,397 net of HST recoveries

Option Year 3 (November 1, 2024 to October 31, 2025)
\$457,910 net of all applicable taxes and charges (including 25% for miscellaneous items)
\$517,439 including all applicable taxes and charges
\$465,969 net of HST recoveries

Option Year 4 (November 1, 2025 to October 31, 2026)
\$471,647 net of all applicable taxes and charges (including 25% for miscellaneous items)
\$532,962 including all applicable taxes and charges
\$479,948 net of HST recoveries

The total potential contract award including all option years is \$2,263,964 net of HST recoveries, \$2,514,033 including all applicable taxes and charges and \$2,224,808 net of all applicable taxes and charges.

FINANCIAL IMPACT

The total potential contract award identified in this report including the option year is \$2,514,033 including all applicable taxes and charges. The total potential cost to the City including the option years is \$2,263,964 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. Additional funding will be included in their 2022 Operating Budget Submissions. Should all 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	\$71,071.34	
January 1, 2022 – October 31, 2022	\$355,356.68	
Total: Contract Period	\$426,428.01	\$426,428.01
Total: 2021 Budget Year	\$71,071.34	
November 1, 2022 to December 31, 2022	\$73,203.48	
January 1, 2023 – October 31, 2023	\$366,017.38	
Total: Option Year 1	\$439,220.86	\$439,220.86
Total: 2022 Budget Year	\$428,560.15	
November 1, 2023 to December 31, 2023	\$75,399.58	
January 1, 2024 – October 31, 2024	\$376,997.90	
Total: Option Year 2	\$452,397.48	\$452,397.48
Total: 2023 Budget Year	\$441,416.96	
November 1, 2024 to December 31, 2024	\$77,661.57	
January 1, 2025 – October 31, 2025	\$388,307.84	
Total: Option Year 3	\$465,969.41	\$465,969.41
Total: 2024 Budget Year	\$454,659.47	
November 1, 2025 to December 31, 2025	\$79,991.41	
January 1, 2026 – October 31, 2026	\$399,957.07	
Total: Option Year 4	\$479,948.49	\$479,948.49
Total: 2025 Budget Year	\$468,299.25	
Total: 2026 Budget Year	\$399,957.07	
Grand Total	\$2,263,964.24	\$2,263,964.24

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

SOLICITATION SUMMARY

Solicitation Issued: 07/20/2021

Solicitation Closed: 08/20/2021

Number of Addenda Issued: 1

Number of Bids: 2

Table 2: Summary of two (2) Bids Received for RFQ DOC3039555785 including total bid price

Bidder Name	Bid Price (including H.S.T.)
Mister Chemical Ltd.	\$378,823.63
Glen Chemicals	\$542,531.20

DIVISION CONTACTS

Sabrina Dipietro, Manager, Purchasing Client Services, Purchasing & Materials Management Telephone: 416-397-4809 E-Mail: Sabrina.Dipietro@toronto.ca

Craig Mavin Manager, Materials Management & Stores Purchasing & Materials Management Division Telephone: 416-392-6764 E-Mail: cmavin@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 call and meeting the requirements of the call;

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. the call document was advertised on the City's internet website and bids or proposals were opened publicly; and

e. 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 calls are on the file in the Purchasing and Materials Management Division.

SIGNATURE

Michael Pacholok,
Chief Procurement Officer
Purchasing and Materials Management