



BID AWARD PANEL CONTRACT AWARD

Award of Ariba Document Number 3164563748 to International Distribution Network Canada ULC for the Non-Exclusive Supply and Delivery of Padlocks for Purchasing and Materials Management (Stores)

Date: December 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, Ariba Document Number 3164563748

Description:

For the non-exclusive supply and delivery of Padlocks to various Purchasing and Materials Management (Stores) locations from the date of award to November 30, 2022, with the option to renew the Contract for an additional four (4) separate one (1) year periods.

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

Recommended Supplier:

International Distribution Network Canada ULC

Contract Award Value:

\$128,818 net of all applicable taxes and charges
\$145,564 including HST and all applicable charges
\$131,085 net of HST recoveries

The contract is expected to start on date of award and end on November 30, 2022

Option Year 1 (December 1, 2022 to November 30, 2023)

\$132,682 net of all applicable taxes and charges (including 25% for miscellaneous items)

\$149,931 including all applicable taxes and charges
\$135,017 net of HST recoveries

Option Year 2 (December 1, 2023 to November 30, 2024)
\$136,662 net of all applicable taxes and charges (including 25% for miscellaneous items)
\$154,429 including all applicable taxes and charges
\$139,068 net of HST recoveries

Option Year 3 (December 1, 2024 to November 30, 2025)
\$140,762 net of all applicable taxes and charges (including 25% for miscellaneous items)
\$159,061 including all applicable taxes and charges
\$143,240 net of HST recoveries

Option Year 4 (December 1, 2025 to November 30, 2026)
\$144,985 net of all applicable taxes and charges (including 25% for miscellaneous items)
\$163,833 including all applicable taxes and charges
\$147,537 net of HST recoveries

The total potential contract award identified in this report including the option year is \$683,910 net of all applicable taxes and \$772,818 including all applicable taxes and charges. **The total potential cost to the City including the option years is \$695,946 net of HST recoveries.**

The above cost calculations reflect an estimated 3% Industrial Product Price Index (IPPI) 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 \$772,818 including all applicable taxes and charges. The total potential cost to the City including the option years is \$695,946 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 date of award to December 31, 2021 has been included in the appropriate Divisions' 2021 Approved Operating Budgets. Additional funding for the balance of the contract period has been included in the appropriate Divisions' 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 funding 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	\$10,924	
January 1, 2022 – November 30, 2022	\$120,161	
Total: Contract Period	\$131,085	\$131,085
Total: 2021 Budget Year	\$10,924	
December 1, 2022 – December 31, 2022	\$11,251	
January 1, 2023 – November 30, 2023	\$123,766	
Total: Option Year 1	\$135,017	\$135,017
Total: 2022 Budget Year	\$131,412	
December 1, 2023 – December 31, 2023	\$11,589	
January 1, 2024 – November 30, 2024	\$127,479	
Total: Option Year 2	\$139,068	\$139,068
Total: 2023 Budget Year	\$135,355	
December 1, 2024 – December 31, 2024	\$11,937	
January 1, 2025 – November 30, 2025	\$131,303	
Total: Option Year 3	\$143,240	\$143,240
Total: 2024 Budget Year	\$139,415	
December 1, 2025 to December 31, 2025	\$12,295	
January 1, 2026 – November 30, 2026	\$135,242	
Total: Option Year 4	\$147,537	\$147,537
Total: 2025 Budget Year	\$143,598	
Total: 2026 Budget Year	\$135,242	
Grand Total	\$695,947	\$695,947

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

SOLICITATION SUMMARY

Solicitation Issued: October 28, 2021 **Solicitation Closed:** November 24, 2021
Number of Addenda Issued: One (1)
Number of Bids: 4

Table 2: Summary of Bids Received including bid price:

Supplier Name	Bid Price (excluding H.S.T.)
International Distribution Network Canada ULC	\$103,054.00*
Jovan Security	\$104,465.00
Guillevin international Co	\$112,878.00
Reilly lock & security systems Limited	\$113,126.70

* A 25% for miscellaneous items was added to bid value for the contract award and option years.

DIVISION CONTACTS

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Craig Mavin Manager, Materials Management & Stores Purchasing & Materials Management Division, Telephone: 416-392-6764, E-Mail: 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 Supplier meeting specifications 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. the Solicitation 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 Solicitations are on the file in the Purchasing and Materials Management Division.

SIGNATURE

Michael Pacholok
Chief Procurement Officer