



BID AWARD PANEL CONTRACT AWARD

Award of Request for Quotation, Ariba Document Number 3169200501 to Tab Products Co. LLC for the Non-Exclusive Supply and Delivery of Record Management System (RMS) Labels for City Stores

Date: April 21, 2022
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 Quotations, Ariba Document Number 3169200501

Description:

For the non-exclusive supply and delivery of RMS Labels for the City of Toronto (Stores) from the date of award to March 31, 2023, with the option to renew the contract for four (4) additional separate one (1) year option periods 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 vendor. The Stores Division will monitor vendor performance during the first term of the contract.

Should the option(s) be exercised, 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 Supplier:

Tab Products Co. LLC

Contract Award Value:

\$381,830 net of all applicable taxes and charges (including 25% for miscellaneous items)

\$431,468 including HST and all applicable charges

\$388,550 net of HST recoveries

Contract is expected to start on date of award and end on March 31, 2023

Option Year 1 (April 1, 2023 to March 31, 2024)

\$393,285 net of all applicable taxes and charges (including 25% for miscellaneous items)

\$444,412 including all applicable taxes and charges

\$400,207 net of HST recoveries

Option Year 2 (April 1, 2024 to March 31, 2025)

\$405,084 net of all applicable taxes and charges (including 25% for miscellaneous items)

\$457,744 including all applicable taxes and charges

\$412,213 net of HST recoveries

Option Year 3 (April 1, 2025 to March 31, 2026)

\$417,236 net of all applicable taxes and charges (including 25% for miscellaneous items)

\$471,477 including all applicable taxes and charges

\$424,580 net of HST recoveries

Option Year 4 (April 1, 2026 to March 31, 2027)

\$429,753 net of all applicable taxes and charges (including 25% for miscellaneous items)

\$485,621 including all applicable taxes and charges

\$437,317 net of HST recoveries

The total potential contract award including all option years is \$2,290,721 including all applicable taxes and charges and \$2,027,186 net of all applicable taxes and charges. **The total potential cost to the City including all option years is \$2,062,865 net of HST recoveries.**

FINANCIAL IMPACT

The total potential contract award identified in this report including the option years is \$2,290,721 including all applicable taxes and charges. The total potential cost to the City including the option years is \$2,062,865 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, 2022 is available in the appropriate Divisions' 2022 Operating Budgets and 2023 Outlook Years, and should all the option years be exercised, appropriate additional funding will be requested in the 2023-2026 budget submissions. The details are as follows:

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, 2022	\$259,034	
January 1, 2023 – March 31, 2023	\$129,517	
Total: Contract Period	\$388,550	\$388,550
Total: 2022 Budget Year	\$259,034	
April 1, 2023 to December 31, 2023	\$266,805	
January 1, 2024 – March 31, 2024	\$133,403	
Total: Option Year 1	\$400,207	\$400,207
Total: 2023 Budget Year	\$396,321	
April 1, 2024 to December 31, 2024	\$274,809	
January 1, 2025 – March 31, 2025	\$137,405	
Total: Option Year 2	\$412,213	\$412,213
Total: 2024 Budget Year	\$408,211	
April 1, 2025 to December 31, 2025	\$283,053	
January 1, 2026 – March 31, 2026	\$141,527	
Total: Option Year 3	\$424,580	\$424,580
Total: 2025 Budget Year	\$420,457	
April 1, 2026 to December 31, 2026	\$291,545	
January 1, 2027 – March 31, 2027	\$145,773	
Total: Option Year 4	\$437,317	\$437,317
Total: 2026 Budget Year	\$433,071	
Total: 2027 Budget Year	\$145,773	
Grand Total	\$2,062,865	\$2,062,865

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

SOLICITATION SUMMARY

Solicitation Issued: January 18, 2022
Number of Addenda Issued: Four (4)
Number of Bids: [1]

Solicitation Closed: March 14, 2022

Table 2: Summary of Bids Received including bid price:

Supplier Name	Bid Price (excluding H.S.T.)
Tab Products Co. LLC	\$305,463.80

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. the Solicitation document was advertised on the City's internet website and bids or proposals were submitted electronically in Ariba; 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