



BID AWARD PANEL CONTRACT AWARD

Award of Ariba Document Number 3528658110 to Various Suppliers for the Supply, Delivery and Unloading of Bulk, Crushed, Coarse, Common Rock Salt as and when required for Four (4) Districts for various City of Toronto Divisions

Date: September 21, 2022

To: Bid Award Panel

From: Acting Chief Procurement Officer

Wards: All

RECOMMENDATIONS

The Acting Chief Procurement Officer recommends that the Bid Award Panel, pursuant to Section 195-8.3A(3) of the Municipal Code, Chapter 195, Purchasing, exercise the power of a Standing Committee to grant authority to award the following contract:

Solicitation Number:

Request for Quotation, Ariba Document Number 3528658110, Contract Number 22TR-OM-003-AA-WE

Description:

Supply, Delivery and Unloading of Bulk, Crushed, Coarse, Common Rock Salt as and when required for a Three (3) Year Term Commencing 2022-2023 Winter Season for Etobicoke York, North York, Scarborough and Toronto & East York districts for the various City of Toronto divisions and other Agencies, Boards and Commissions, with an option in favour of the City to extend the agreement on the same terms and conditions for an additional term of up to two (2) additional separate one (1) year periods.

Should the option(s) be exercised, then the General Manager of Transportation Services Division will request the Acting Chief Procurement Officer to process the renewals under the same terms and conditions.

Total Contract Award Value (October 15, 2022 – April 15, 2025)
(Sections A, B, C, D see breakdown below per recommended supplier):

\$108,996,803 net of all applicable taxes and charges
\$123,166,387 including HST and all applicable charges
\$110,915,147 net of HST recoveries

Recommended Supplier:

Section A – Etobicoke York District - Compass Minerals Canada Corp

Contract Award value (October 15, 2022 – April 15, 2025):

\$14,188,455 net of all applicable taxes and charges
\$16,032,954 including HST and all applicable charges
\$14,438,172 net of HST recoveries

Contract is expected to start on October 15, 2022 and end on April 15, 2025.

Option Year 1 – October 15, 2025 to April 15, 2026

\$ 5,009,994 net of all applicable taxes and charges
\$5,661,293 including all applicable taxes and charges
\$5,098,170 net of HST recoveries

Option Year 2 – October 15, 2026 to April 15, 2027

\$ 5,157,446 net of all applicable taxes and charges
\$5,827,914 including all applicable taxes and charges
\$5,248,217 net of HST recoveries

Grand Total Contract Award value (October 15, 2022 – April 15, 2027):

\$24,355,895 net of all applicable taxes and charges
\$27,522,161 including HST and all applicable charges
\$24,784,559 net of HST recoveries

Recommended Supplier:

Section B – North York District - Windsor Salt Ltd.

Contract Award Value (October 15, 2022 – April 15, 2025):

\$17,558,209 net of all applicable taxes and charges
\$19,840,776 including HST and all applicable charges
\$17,867,233 net of HST recoveries

Contract is expected to start on October 15, 2022 and end on April 15, 2025.

Option Year 1 – October 15, 2025 to April 15, 2026
\$6,362,461 net of all applicable taxes and charges
\$7,189,580 including all applicable taxes and charges
\$6,474,440 net of HST recoveries

Option Year 2 – October 15, 2026 to April 15, 2027
\$6,551,234 net of all applicable taxes and charges
\$7,402,894 including all applicable taxes and charges
\$6,666,535 net of HST recoveries

Grand Total Contract Award value (October 15, 2022 – April 15, 2027):

\$30,471,903 net of all applicable taxes and charges
\$34,433,250 including HST and all applicable charges
\$31,008,208 net of HST recoveries

Recommended supplier:

Section C – Scarborough District - Cargill Salt, Road Safety, a division of Cargill Limited

Contract Award Value (October 15, 2022 – April 15, 2025):

\$12,763,440 net of all applicable taxes and charges
\$14,422,687 including HST and all applicable charges
\$12,988,077 net of HST recoveries

Contract is expected to start on October 15, 2022 and end on April 15, 2025.

Option Year 1 – October 15, 2025 to April 15, 2026
\$4,396,160 net of all applicable taxes and charges
\$4,967,661 including all applicable taxes and charges
\$4,473,532 net of HST recoveries

Option Year 2 – October 15, 2026 to April 15, 2027
\$4,471,400 net of all applicable taxes and charges
\$5,052,682 including all applicable taxes and charges
\$4,550,097 net of HST recoveries

Grand Total Contract Award value (October 15, 2022 – April 15, 2027):

\$21,631,000 net of all applicable taxes and charges
\$24,443,030 including HST and all applicable charges
\$22,011,706 net of HST recoveries

Recommended supplier:

Section D – Toronto & East York District - Windsor Salt Ltd.

Contract Award Value (October 15, 2022 – April 15, 2025):

\$18,747,897 net of all applicable taxes and charges

\$21,185,124 including HST and all applicable charges

\$19,077,860 net of HST recoveries

Contract is expected to start on October 15, 2022 and end on April 15, 2025.

Option Year 1 – October 15, 2025 to April 15, 2026

\$6,794,161 net of all applicable taxes and charges

\$7,677,402 including all applicable taxes and charges

\$6,913,738 net of HST recoveries

Option Year 2 – October 15, 2026 to April 15, 2027

\$6,995,947 net of all applicable taxes and charges

\$7,905,420 including all applicable taxes and charges

\$7,119,076 net of HST recoveries

Grand Total Contract Award value (October 15, 2022 – April 15, 2027):

\$32,538,005 net of all applicable taxes and charges

\$36,767,946 including HST and all applicable charges

\$33,110,674 net of HST recoveries

The total potential contract award identified in this report for Sections A to D including option years is \$108,996,803 net of applicable taxes and charges, and \$123,166,387 including all applicable taxes and charges. The total potential cost to the City for Sections A to D including option years is \$110,915,147 net of HST recoveries.

The above cost calculations for the Option Year reflect an estimated annual 3% increase as per the Consumer Price Index (CPI).

FINANCIAL IMPACT

The total potential contract award identified in this report for Sections A to D including option years are \$123,166,387 (including HST).

The total potential cost to the City for Sections A to D including option years is \$110,915,147 net of HST recoveries.

The engineering estimate for this project is \$141,579,124 Net of All taxes and charges.

Table 1: Financial Impact Summary of Recommended Contract - See attachment Appendix A

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

SOLICITATION SUMMARY

Solicitation Issued: June 14, 2022
Number of Addenda Issued: Four (4)
Number of Bids: Three (3)

Call Closed: June 30, 2022

Table 1: Summary of Bids Received including bid price.

Section A: Etobicoke York District:

Supplier	Bid Price (excluding H.S.T.)
Compass Minerals Canada Corp.	\$24,101,973*
Cargill Salt, Road Safety, a division of Cargill Limited	\$24,232,435
Windsor Salt Ltd.	\$33,057,132

*Pursuant to the Request for Tender document, the contract award price includes contingency.

Section B: North York District:

Supplier	Bid Price (excluding H.S.T.)
Windsor Salt Ltd.	\$31,098,868*
Compass Minerals Canada Corp.	\$35,904,661
Cargill Salt, Road Safety, a division of Cargill Limited	\$38,676,989

*Pursuant to the Request for Tender document, the contract award price includes contingency.

Section C: Scarborough District:

Supplier	Bid Price (excluding H.S.T.)
Cargill Salt, Road Safety, a division of Cargill Limited	\$21,464,294*

Supplier	Bid Price (excluding H.S.T.)
Compass Minerals Canada Corp.	\$27,691,509
Windsor Salt Ltd.	\$30,854,950

*Pursuant to the Request for Tender document, the contract award price includes contingency.

Section D: Toronto & East York District:

Supplier	Bid Price (excluding H.S.T.)
Windsor Salt Ltd.	\$33,731,136*
Compass Minerals Canada Corp.	\$38,943,701
Cargill Salt, Road Safety, a division of Cargill Limited	\$42,797,970

*Pursuant to the Request for Tender document, the contract award price includes contingency.

DIVISION CONTACTS

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Barbara Gray, General Manager, Transportation Services, 416-392-8431, Barbara.Gray@toronto.ca

COMMENTS

For the recommended contract award, the following requirements have been met:

- a. City Council is in election recess and pursuant to the Municipal Code, Chapter 195, Purchasing, Sections 195-8.3A, the Bid Award Panel has authority to exercise the power of a Standing Committee to make an award that exceeds \$20,000,000 (excluding applicable taxes);
- 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 Quotations 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

Sandra Lisi
Acting Chief Procurement Officer

ATTACHMENTS

Attachment 1-APPENDIX A-Financial Impact Table