TORONTO

BID AWARD PANEL CONTRACT AWARD

Award of Ariba Document Number 3737557528 to The Demo Group Inc. o/a Pure Health Pharmacy, for the Non-Exclusive Supply and Delivery of Prescription Drugs for Toronto Fire Services and City Stores

Date: February 16, 2023
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 3737557528.

Description:
For the non-exclusive supply and delivery of Prescription Drugs (Epinephrine Auto Injector, Adult size, 0.30 Milligram, (DIN 00509558) , Epinephrine Auto Injector Junior size, 0.15 Milligram (DIN00578657), and Narcan Nasal Spray ,Two (2) Doses /Box DIN 02458187, for the City of Toronto Fire Services and City Stores, (Purchasing and Materials Management Division from the award date, to February 5, 2024, as and when required, with the option to renew the contract for up to four (4) separate one (1) year periods at the sole discretion of the City and subject to budget approval.

Should the options be exercised, then the Fire Chief and General Manager of Toronto Fire Services and the Manager of City Stores (PMMD) will request the Chief Procurement Officer to process the renewal under the same terms and conditions.

Recommended Supplier:
The Demo Group Inc. o/a PureHealth Pharmacy

Contract Award Value:
$178,554 net of all applicable taxes and charges (Including 20 percent for miscellaneous related items)
$201,766 including HST and all applicable charges
$181,697 net of HST recoveries

Contract is expected to start on Date of Award and end on February 5, 2024.

Option Year 1: (February 6, 2024 to February 5, 2025)
$183,911 net of all applicable taxes and charges (Including 20 percent for miscellaneous items)
$207,819 including HST and all applicable charges
$187,147 net of HST recoveries

Option Year 2: (February 6, 2025 to February 5, 2026)
$189,428 net of all applicable taxes and charges (Including 20 percent for miscellaneous items)
$214,054 including HST and all applicable charges
$192,762 net of HST recoveries

Option Year 3: (February 6, 2026 to February 5, 2027)
$195,111 net of all applicable taxes and charges (Including 20 percent for miscellaneous items)
$220,475 including HST and all applicable charges
$198,545 net of HST recoveries

Option Year 4: (February 6, 2027 to February 5, 2028)
$200,964 net of all applicable taxes and charges (Including 20 percent for miscellaneous items)
$227,089 including HST and all applicable charges
$204,501 net of HST recoveries

The total potential contract award including all option years $1,071,203 including all applicable taxes and charges and $947,967 net of all applicable taxes and charges. **The total potential cost to the City including all option years is $964,652 net of HST recoveries**

The above cost calculations for the option periods reflect an estimated three (3) percent Consumer Price Index percent increase applied annually to the annual cost after the initial year.

FINANCIAL IMPACT

The total potential contract award identified in this report, including all option years, is $1,071,203, including all applicable taxes and charges and $947,967 net of all applicable taxes and charges. The total potential cost to the City, including all option years is $964,652 net of HST recoveries.

Funding for the initial year is available in the 2023 Tabled Operating Budgets of Toronto Fire Services and other participating Programs, and additional funding for the balance of the initial contract period will be included in their 2024 Operating Budget Submissions.

Should the City choose to exercise the option(s) to renew for an additional four (4) separate one (1) year periods, then appropriate additional funding will be requested in the 2024-2028 Operating Budget Submissions for Toronto Fire Services and Other Programs as part of the annual Operating Budget review process. Additional funding details follow in Table 1.

The materials for part of this contract will be purchased for Purchasing and Material Management Division - 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.

Table 1: Financial Impact Summary of Recommended Contract (Net of HST Recoveries), Including 20 percent for miscellaneous related items:

Toronto Fire Services

Cost Centre / Cost Element	Initial Year	Initial Year	Option Year One	Option Year Two	Option Year Three	Option Year Four	Total
	Date of Award to December 31, 2023	January 1, 2024 to February 5, 2024	February 6, 2024 to February 5, 2025	February 6, 2025 to February 5, 2026	February 6, 2026 to February 5, 2027	February 6, 2027 to February 5, 2028	
FR0045 / 2823	$91,023	$9,713	$103,758	$106,871	$110,077	$113,380	$534,823

City Stores (PMMD)

Cost Centre / Cost Elemen t	Initial Year	Initial Year	Option Year One	Option Year Two	Option Year Three	Option Year Four	Total
	Date of Award to December 31, 2023	January 1, 2024 to February 5, 2024	February 6, 2024 to February 5, 2025	February 6, 2025 to February 5, 2026	February 6, 2026 to February 5, 2027	February 6, 2027 to February 5, 2028	
160004, 160026, 160049, 160067, 160068, 160082, 160083, 160085, 160171	$73,154	$7,806	$83,389	$85,891	$88,467	$91,121	$429,829

Consolidated Total: Toronto Fire Services and City Stores (PMMD)

Initial Year	Initial Year	Option Year One	Option Year Two	Option Year Three	Option Year Four	Total
Date of Award to December 31, 2023	January 1, 2024 to February 5, 2024	February 6, 2024 to February 5, 2025	February 6, 2025 to February 5, 2026	February 6, 2026 to February 5, 2027	February 6, 2027 to February 5, 2028	
$164,178	$17,519	$187,147	$192,762	$198,545	$204,501	$964,652

The Chief Financial Officer and Treasurer has been provided the financial impacts associated with the programs for review as part of the 2023 budget process.

SOLICITATION SUMMARY

Solicitation Issued: November 17, 2022 **Solicitation Closed:** December 15, 2022
Number of Addenda Issued: None
Number of Bids: Three (3)

Table 2: Summary of Bids Received including Bid Price

Supplier Name	Bid Price (excluding HST and 20 percent for miscellaneous items)
Bauschhealth, Canada Inc.*	$ 15,340.00*
The Demo Group Inc. o/a Pure Health Pharmacy	$148,795.00**
Ontario Medical Supply Inc.	$192,150.00

*Supplier was found non-compliant with mandatory requirements
**Pursuant to the Request for Quotation document the contract award value includes 20 percent for miscellaneous items

DIVISION CONTACTS

Kelly McGarry, Manager, Community & Social Services and City Manager Office, Purchasing Client Services, Purchasing & Material Management Division, 416-338-5574, Kelly.McGarry@toronto.ca

Therese Chen, Division Chief, Toronto Fire Services, 416-338-9190, Therese.Chen@toronto.ca

Craig Mavin, Manager, Materials Management & Stores, Finance & Treasury Services, Purchasing and Materials Management Division, 416-906-0392, 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 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

Genevieve Sharkey
Chief Procurement Officer