



BID AWARD PANEL CONTRACT AWARD

Award of Ariba Document Number 3781394690 to K-Dental Inc. for the non-exclusive supply, delivery, installation, warranty, calibration, removal and disposal of various Dental Clinic Equipment and associated staff training for the City of Toronto's Public Health Division

Date: March 30, 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 3781394690

Description:

For the non-exclusive supply, delivery, installation, warranty, calibration, removal and disposal of various Dental Clinic Equipment and associated staff training for approximately twenty-eight (28) Public Health Dental Clinics. The term of the Contract is to be for a period of one (1) year from the date of Award, 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 three (3) additional, separate one (1) year periods.

Should the option(s) be exercised, the Director of Finance and Administration will request the Chief Procurement Officer to process the renewals under the same terms and conditions.

Recommended Supplier:

K-Dental Inc.

Contract Award Value:

\$1,698,588 net of all applicable taxes and charges (including 15% miscellaneous items)
\$1,919,404 including HST and all applicable charges
\$1,728,483 net of HST recoveries

Contract is expected to start on May 1, 2023 and end on April 31, 2024

Option Year 1: May 1, 2024, April 31, 2025 (including 15% miscellaneous items)

\$1,749,546 net of all applicable taxes and charges

\$1,976,987 including HST and all applicable charges

\$1,780,338 net of HST recoveries

Option Year 2: May 1, 2025, April 31, 2026 (including 15% miscellaneous items)

\$1,802,032 net of all applicable taxes and charges

\$2,036,296 including HST and all applicable charges

\$1,833,748 net of HST recoveries

Option Year 3: May 1, 2026, April 31, 2027 (including 15% miscellaneous items)

\$1,856,093 net of all applicable taxes and charges

\$2,097,385 including HST and all applicable charges

\$1,888,760 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).

The total potential contract award including option years identified in this report is \$8,030,072.00 including all applicable taxes and charges. **The total potential cost to the City including option years is \$7,231,329 net of HST recoveries.**

FINANCIAL IMPACT

The total contract award identified in this report is \$8,030,072 including all applicable taxes and charges. The cost to the City is \$7,231,329 net of HST recoveries.

Funding is available in the 2023 Approved Operating Budget for Toronto Public Health and additional funding for the balance of the Initial Term will be included in its 2024 Operating Budget Submission. Should all the optional periods be exercised, appropriate additional funding will be requested in its 2024-2027 Operating Budget Submissions. Additional funding details follow in Table 1.

Table 1: Financial Impact Summary of Recommended Contract

Cost Centre/ Cost Element	Initial Term May 1, 2023 - Dec 31, 2023	Initial Term Jan 1, 2024 - April 30, 2024	Option Year 1, May 1, 2024, April 30, 2025	Option Year 2: May 1, 2025, April 30, 2026	Option Year 3: May 1, 2026, April 30, 2027
PH3015, PH3740, PH3601 C/E 2825& 3060	1,152,322	576,161	1,780,338	1,833,748	1,888,760

Cost Centre/ Cost Element	Initial Term May 1, 2023 - Dec 31, 2023	Initial Term Jan 1, 2024 - April 30, 2024	Option Year 1, May 1, 2024, April 30, 2025	Option Year 2: May 1, 2025, April 30, 2026	Option Year 3: May 1, 2026, April 30, 2027
Total Net of HST Recoveries					7,231,329

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

SOLICITATION SUMMARY

Solicitation Issued: January 18, 2023

Solicitation Closed: February 14, 2023

Number of Addenda Issued: One (1)

Number of Bids: 2

Table 2: Summary of Bids Received including bid price

Supplier Name	Bid Price (excluding H.S.T.)
K-Dental Inc.	\$1,477,033.00
Henry Schein Canada Inc.	\$4,330,055.00

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

Geneviève Sharkey,
Chief Procurement Officer