

# **Non-Competitive Contract with R Courier for the Provision of Courier Services for the Distribution and Transportation of Vaccine and Non-Medical Supplies for Toronto Public Health**

**Date:** June 22, 2023

**To:** General Government Committee

**From:** Medical Officer of Health and Chief Procurement Officer, Purchasing & Materials Management

**Wards:** All

## **SUMMARY**

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The purpose of this report is to request City Council authority to enter into a non-competitive contract with R Courier for the provision of courier services for Toronto Public Health (TPH) for the distribution and transportation of vaccine and non-medical supplies from a central warehouse facility to fixed-site and mobile clinics across the City of Toronto. The clinics provide vaccinations for COVID-19 and vaccines administered under the [School Immunization Program](#). The contract will be for an initial period of ten (10) months from June 1, 2023 to March 31, 2024 in the total amount of \$500,000 net of Harmonized Sales Tax (\$508,800 net of Harmonized Sales Tax recoveries). This new contract will be a bridging contract as Toronto Public Health will be issuing a Request for Quote by the third quarter of 2023 for courier services.

City Council approval is required in accordance with Municipal Code Chapter 195- Purchasing, where the current request exceeds the Chief Purchasing Officer's authority of the cumulative five-year commitment for each supplier, under Article 7, Section 195-7.3 (D) of the Purchasing By-Law or exceeds the threshold of \$500,000 net of Harmonized Sales Tax allowed under staff authority as per the Toronto Municipal Code, Chapter 71- Financial Control, Section 71-11A.

## **RECOMMENDATIONS**

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The Medical Officer of Health and the Chief Procurement Officer recommend that:

1. City Council authorize the Medical Officer of Health to negotiate and execute a non-competitive ten (10) month agreement with R Courier for the provision of courier

services for the distribution and transportation of vaccine and non-medical supplies from the central warehouse facility to clinics across the City of Toronto for an amount of \$500,000 net of Harmonized Sales Tax (\$508,800 net of Harmonized Sales Tax recoveries), from June 1, 2023 to March 31, 2024, on terms and conditions satisfactory to the Medical Officer of Health and in a form satisfactory to the City Solicitor.

**FINANCIAL IMPACT**

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The report is seeking authorization to establish a new non-competitive bridging contract with R Courier for the provision of courier services for the distribution and transportation of vaccine and non-medical supplies from the central warehouse facility to clinics across the City of Toronto with the total contract cost of \$508,800 net of Harmonized Sales Tax recoveries from June 1, 2023 to March 31, 2024.

The 2023 Budget includes expenditures of \$356,160 related to COVID-19 vaccinations for June 1, 2023 to December 31, 2023, however, the funding commitments from the province have not been received to-date. For 2024, expenditures of \$152,640 related to the Student Immunization Program for January 1, 2024 to March 31, 2024 will be offset by underspending in other contract costs within the Student Immunization Program in the base budget for TPH's Vaccine Preventable Diseases program.

Expenditure reimbursement for the cost associated with courier services related to the COVID-19 vaccinations, has been submitted to the Ministry of Health as part of TPH's 2023 annual budget submission for consideration under the provincial government's cost reimbursement program for COVID-19 extra-ordinary.

Should funding not be received through the provincial government's cost reimbursement program for COVID-19 extra-ordinary costs, TPH will request recovery from the Ontario Ministry of Health through mandatory cost shared program for Vaccine Preventable Disease as the normalization of COVID-19 vaccines. City's share of the 30% of the contract cost with the amount of \$106,848 for 2023 would be offset by savings from other Services & Rents in TPH.

Table 1: Financial Impact Summary

<b>Program</b>	<b>June 1, 2023 to December 31, 2023</b>	<b>January 1, 2024 to March 31,2024</b>	<b>Total (net of HST recoveries)</b>
<b>TPH COVID-19 extra-ordinary PH4128/4815</b>	356,160		356,160
<b>Vaccine Preventable Diseases PH4081/4815</b>		152,640	152,640

<b>Program</b>	<b>June 1, 2023 to December 31, 2023</b>	<b>January 1, 2024 to March 31,2024</b>	<b>Total (net of HST recoveries)</b>
<b>Total</b>	356,160	152,640	508,800

The Chief Financial Officer and Treasurer has reviewed this report and agrees with the financial implications as identified in the Financial Impact section.

**DECISION HISTORY**

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On July 6, 2022 Economic and Community Development Committee, in accordance with Section 71-11.1C of the Municipal Code Chapter 71 authorized an amendment to Blanket Contract Number 47023417 issued to R Courier for the provision of courier services for the distribution and transportation of vaccine and non-medical supplies from the central distribution and storage warehouse to mass immunization clinics across the City of Toronto. The amendment increased the contract value to \$1,200,000 net of Harmonized Sales Tax (\$1,221,120 net of Harmonized Sales Tax recoveries) and also extended the Contract from June 30, 2022 to December 31, 2022.  
<https://secure.toronto.ca/council/agenda-item.do?item=2022.EC31.10>

**COMMENTS**

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Courier services play a vital part in TPH achieving its key COVID-19 response objectives of preventing loss of life, preserving the capacity of the healthcare system and minimizing the social and economic impacts of COVID-19, in addition to providing opportunities for students to catch up on Meningococcal, Human Papillomavirus and Hepatitis B vaccines as part of the Student Immunization Program.

Toronto Public Health's COVID-19 pandemic response has required courier services for the timely transport of: documents between TPH, individuals diagnosed with COVID-19 and other health care providers; specimens between various institutions in outbreak and provincial labs; vaccines for COVID-19 and the Student Immunization Program from a central warehouse facility to City run fixed-site, mobile and school based clinics; and COVID-19 vaccines to the City's vaccination partners.

R Courier has been TPH's primary provider of courier services since the onset of the COVID-19 pandemic in 2020, starting with Blanket Contract Number 47023417 in the amount of \$200,000 net of all taxes with a term ending December 31, 2021.

The first amendment to this contract was processed on December 13, 2021 to extend the term from December 31, 2021 to March 31, 2022 and increase the value by

\$100,000 for a total contract value of \$300,000, excluding all taxes. The amendment was needed as, at that time, the COVID-19 pandemic was predicted to continue throughout 2021 and 2022.

The second amendment was processed on February 16, 2022 to extend the term from March 31, 2022 to June 30, 2022 and increase the value by \$200,000 for a total contract value of \$500,000, excluding all taxes. The second amendment was needed to accommodate the extension of the fixed-site and mobile mass immunization clinics beyond the original planned dates for mass immunization clinics.

The third amendment was processed on July 19, 2022, under the authority granted by the Economic and Community Development Committee on July 6, 2022 in Item 2022.EC31.10. This amendment extended the contract term to December 31, 2022 and increased the value by \$700,000 to a total contract value of \$1,200,000, excluding all taxes. The third amendment was needed to accommodate the continued operations of the fixed-site clinics, as well as the expansion of the mobile clinic program and to support the catch-up program for vaccines administered under the Student Immunization Program.

Toronto Public Health is seeking a new non-competitive contract in the amount of \$500,000 net of all applicable taxes and charges (\$508,800 net of Harmonized Sales Tax recoveries) for the period from June 1, 2023 to March 31, 2024.

Toronto Public Health plans on issuing a Request for Quote for courier services this fall. In the interim, a bridge contract is needed as TPH continues to run COVID-19 fixed-site and mobile clinics as well as provide students with opportunities to be immunization under the Student Immunization Program. This new 'bridging' contract will allow TPH to continue to provide vaccination clinics: COVID-19, Student Immunization Program, and possibly Influenza in the fall.

For 2023, public health units are expected to continue to respond to COVID-19 in their catchment areas and support the Ministry of Health in the provincial roll-out of vaccine programs. Similar to 2020, 2021, and 2022 public health units expect to incur additional expenses to support these efforts in 2023, costs which are considered eligible for reimbursement as part of the Province's COVID-19 extra-ordinary expenditure reimbursement program.

The Fair Wage Office has reported that R Courier has indicated that it has reviewed and understands the Fair Wage Policy and Labour Trades requirements and has agreed to comply fully.

## **CONTACT**

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**SIGNATURE**

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Medical Officer of Health

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