TORONTO

REPORT FOR ACTION

Non-Competitive Procurement Request 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: September 18, 2023
To: General Government Committee
From: Medical Officer of Health and Chief Procurement Officer
Wards: All

SUMMARY

This report is to request authority from the General Government Committee to issue a purchase order to pay for outstanding invoices for work already completed through a non-competitive procurement process with R Courier.

Toronto Public Health signed the blanket contract 47023417 with R Courier on February 12, 2021, for the provision of courier services for Toronto Public Health 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. This procurement supports the COVID-19 pandemic response as Toronto Public Health continues to distribute COVID-19 vaccinations to the residents. Contract 47023417 with R Courier expired December 31, 2022 but has been extended several times to meet the courier needs for operating vaccination clinics. The services cannot be obtained through competitive procurement as R-Courier is already providing the services and are already familiar with the demands/requirements of the immunization clinics. The competitive process will take a long time to conclude and will cause service disruption.

This report requests to establish a purchase order in the amount of $132,670.00 ($135,004.99 net of Harmonized Sales Tax recoveries) for outstanding invoices from January 1, 2023, to May 31, 2023.

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 HST allowed under staff authority as per the Toronto Municipal Code, Chapter 71- Financial Control, Section 71-11A.

RECOMMENDATIONS

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

1. General Government Committee, in accordance with Section 71-11.1C of City of Toronto Municipal Code Chapter 71, Financial Control authorize an non-competitive procurement to 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 $132,670 for work already completed, excluding all applicable taxes and charges ($135,004.99 net of Harmonized Sales Tax recoveries) for the period of January 1, 2023 to May 31, 2023.

FINANCIAL IMPACT

The report is seeking authorization to establish a purchase order to pay outstanding invoices 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 amount of $135,004.99 net of Harmonized Sales Tax recoveries from January 1, 2023, to May 31, 2023.

The 2023 Approved Operating Budget for Toronto Public Health includes expenditures of $135,004.99 for January 1, 2023, to May 31, 2023 related to Covid-19 vaccinations, however, the funding commitments from the province have not been received to-date.

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 Toronto Public Health’s 2023 annual budget submission for consideration under the provincial government's cost reimbursement program for COVID-19 extra-ordinary.

Table 1: Financial Impact Summary (Net of Harmonized Sales Tax recoveries)

Funding	January 1, 2023, to May 31, 2023
TPH COVID-19 extra-ordinary Cost Centre: PH4128 Cost Elements: 4815 & 4995	135,004.99

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

DECISION HISTORY

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 extended the Contract from June 30, 2022, to December 31, 2022.
https://secure.toronto.ca/council/agenda-item.do?item=2022.EC31.10

On October 1, 2021, City Council approved the Medical Officer of Health, or their designate, to approve and execute new agreements or extensions of existing agreements or other suitable arrangements with federal or provincial agencies, community agencies, private entities and/or individuals, for nominal consideration, for the establishment and operation of mobile clinics and short-term pop-up clinics.
http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2021.MM36.45

COMMENTS

Courier services play a vital part in Toronto Public Health achieving its key 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 Toronto Public Health’s primary provider of courier services since the onset of the COVID-19 pandemic in 2021, 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 in December 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 in February, 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 2022, under the AUTHORITY: EC31.10, Adopted by the Economic & Community Development Committee on July 6, 2022, to extend the contract term to December 31, 2022, and increase 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 purchase order in an amount of $132,670 excluding all applicable taxes and charges ($135,004.99 net of Harmonized Sales Tax recoveries) for the period of January 1, 2023, to May 31, 2023.

Toronto Public Health plans on paying outstanding invoices of total $132,670.00 excluding taxes for a service period of January 1, 2023, to May 31, 2023. Toronto Public Health 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.

A bridging contract number 47025151 in the amount of $500,000 was created on August 22, 2023, to pay for services from June 1, 2023, to March 31, 2024. In the interim, Toronto Public Health has already submitted a request to PMMD (SR4031634711, Buyer: Sunney D'Souza) in late May 2023, issuing a Request for Quotation by the third quarter of 2023 for courier services.

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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