

Non-Competitive Contract with Bio Nuclear Diagnostics Inc. for the supply and delivery of Nitrile Gloves for City of Toronto Purchasing and Materials Management (Stores)

Date: October 16, 2023
To: General Government Committee
From: Chief Procurement Officer
Wards: All

SUMMARY

The purpose of this report is to request authority to enter into a non-competitive contract with Bio Nuclear Diagnostics Inc. for the supply and delivery of Nitrile Gloves for City of Toronto Purchasing and Materials Management (Stores) Division. This contract will be for a period of six (6) months, in the total amount of \$510,000 net of all taxes and charges (\$518,976 net of Harmonized Sales Tax recoveries).

The new contract is requested to continue procurement of nitrile gloves until a new competitive contract is awarded. Bio Nuclear Diagnostics Inc. is the recommended supplier as they meet the specifications and have provided the competitive pricing. Additionally, the supplier was previously able to maintain sufficient inventory to meet the City's high-volume needs.

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 Chief Procurement Officer recommends that:

City Council authorize the Chief Procurement Officer to negotiate and execute a non-competitive agreement from the date of award to April 30, 2024, with Bio Nuclear

Diagnostics Inc. in the amount of \$510,000 net of all taxes and charges (\$518,976 net of Harmonized Sales Tax recoveries), on terms and conditions satisfactory to the Chief Procurement Officer, in a form satisfactory to the City Solicitor.

FINANCIAL IMPACT

The total potential contract award amount identified in this report is \$510,000 net of all taxes and charges, \$576,300 including all applicable taxes and charges. The total potential cost to the City is \$518,976 net of Harmonized Sales Tax recoveries.

The materials on this contract will be purchased for Purchasing and Materials Management (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.

Funding is available in the 2023 Approved Operating Budgets of various City Divisions, particularly Seniors Services and Long-Term Care and Shelter, Support & Housing Administration. Additional funding for the balance of the contract period will be included in the 2024 Operating Budgets of various City Divisions. Additional funding details are provided in Table 1 to follow.

Table1: Financial Impact Summary of Recommended Contract

Period	Balance Sheet Account 160004, 160026, 160049, 160067, 160068, 160082, 160083, 160085, 160171
Date of award – December 31, 2023	\$172,992
January 1 2024 – April 30, 2024	\$345,984
Total: Contract Period	\$ 518,976
Total: 2023 Budget	\$172,992
Total: 2024 Budget	\$345,984

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

DECISION HISTORY

At its meeting held on September 30, October 1 and 2, 2020, City Council adopted Item GL15.5 to advise on the emergency non-competitive procurements of goods and services that are over \$500,000 in value that were processed by the Purchasing and Materials Management Division on behalf of various divisions relating to the City of Toronto's response to the COVID-19 Pandemic Emergency (COVID-19). Section 195-7.4B of Chapter 195, Purchasing, requires that any emergency non-competitive over the value of \$500,000 must be reported to Council for information. Emergency Non-Competitive Blanket Contract 47023068 issued to Bio Nuclear Diagnostics Inc. was part of this report.

<https://secure.toronto.ca/council/agenda-item.do?item=2020.GL15.5>

COMMENTS

A Request for Quotation is currently being drafted by Stores. The continuous supply of gloves is necessary to ensure the health and safety of City Staff until the new competitive call is awarded. Due to the time constraint Bio Nuclear Diagnostics Inc. has been selected as the supplier to continue supplying nitrile gloves as they were the City's supplier during the pandemic and were able to provide makes and models which met the specifications of the City. Additionally, they have provided the competitive pricing and were able to maintain sufficient inventory to meet the City's high-volume needs throughout the pandemic.

Following the expiration of competitive contract 47023198 and non-competitive contract 47023068 with Bio Nuclear Diagnostics Inc. for the supply and delivery of Medical, Non-Medical and General Purpose Gloves, Stores had been processing Divisional Purchase Orders to fill the gap in service while the current Request for Quotation is being prepared. Due to COVID-19, the minimum requirements and specifications have changed to ensure they are covering all the necessities for optimal safety of City staff.

This contract will accommodate the requirement to accommodate a six (6) month period until a contract is awarded. The value requested is based on our forecasted usage for the next six (6) months. This Blanket Contract is being established specifically to support the need for gloves.

CONTACT

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SIGNATURE

Geneviève Sharkey
Chief Procurement Officer