BID AWARD PANEL CONTRACT AWARD

Award of Doc4065677598 to 8906297 Canada Inc. operating as Flying Colours International for the Non-Exclusive Supply and Delivery of Flags for Purchasing and Materials Management (Stores)

Date: January 11, 2024
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 contracts:

Solicitation Number:
Request for Quotation, Doc4065677598

Description:
For the non-exclusive supply and delivery of Flags to various Purchasing and Materials Management (Stores) locations from the date of award to January 31, 2025, with the option to renew the Contract for four (4) additional one (1)-year periods at the sole discretion of the City and subject to budget approval(s).

The Request for Quotation is structured to award a contract to the lowest supplier meeting specifications and providing the lowest total bid price of the Pricing Form.

Prior to the renewal of the contract, Purchasing Materials and Management Division will perform a market analysis to verify the current market conditions as compared to the proposed increase by the vendor and that the Stores Division will monitor vendor performance during the first term of the contract.

Should the option year(s) be exercised, then the Manager of Materials Management and Stores will request the Chief Procurement Officer to process the renewals under the same terms and conditions.

Recommended Supplier:
8906297 Canada Inc. o/a Flying Colours International

Contract Award Value:
$105,032 net of all applicable taxes and charges (including 20% for miscellaneous items)
$118,686 including HST and all applicable charges.
$106,881 net of HST recoveries

Contract is expected to start on date of award and end on January 31, 2025

Option Year 1 (February 1, 2025 to January 31, 2026)
$108,183 net of all applicable taxes and charges (including 20% for miscellaneous items)
$122,247 including all applicable taxes and charges.
$110,087 net of HST recoveries

Option Year 2 (February 1, 2026 to January 31, 2027)
$111,429 net of all applicable taxes and charges (including 20% for miscellaneous items)
$125,915 including all applicable taxes and charges.
$113,390 net of HST recoveries

Option Year 3 (February 1, 2027 to January 31, 2028)
$114,771 net of all applicable taxes and charges (including 20% for miscellaneous items)
$129,691 including all applicable taxes and charges.
$116,791 net of HST recoveries

Option Year 4 (February 1, 2028 to January 31, 2029)
$118,215 net of all applicable taxes and charges (including 20% for miscellaneous items)
$133,583 including all applicable taxes and charges.
$120,295 net of HST recoveries

The total potential contract award including all option years is $557,630 net of all applicable taxes and charges, $630,122 including all applicable taxes and charges and $567,444 net of HST recoveries.

The above cost calculations reflect a 3% Consumer Price Index adjustment applied annually to each year's cost after the initial one (1) year period.

FINANCIAL IMPACT

The total potential contract award identified in this report including option years is $557,630 net of all applicable taxes and charges, and $630,122 including all applicable taxes and charges. The total potential cost to the City including option years is $567,444 net of HST recoveries.

The materials on this contract will be purchased for Purchasing 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.

Funding from Date of award to December 31, 2024 has been included in the participating Divisions' 2024 Staff Prepared Operating Budgets and additional funding for the remainder of the initial contract period from January 1, 2025 to January 31, 2025 will be requested in the participating Divisions' 2025 Operating Budget Submissions. Should the option years be exercised, if required, then appropriate additional funding will be requested in the 2025-2029 Operating Budget Submissions of the participating Divisions. The details are as follows:

Table 1: Financial Impact Summary of Recommended Contract (net of HST recoveries)

Period	Cost Centre 160004, 160026, 160049, 160067, 160068, 160082, 160083, 160085, 160171	Total
Date of Award – December 31, 2024	$97,974	
January 1, 2025 - January 31, 2025	$8,907	
Total: Contract Period	$106,881	$106,881
Total: 2024 Budget Year	$97,974	
February 1, 2025 to December 31, 2025	$100,913	
January 1, 2026 - January 31, 2026	$9,174	
Total: Option Year 1	$110,087	$110,087
Total: 2025 Budget Year	$109,820	
February 1, 2026 to December 31, 2026	$103,941	
January 1, 2027 - January 31, 2027	$9,449	
Total: Option Year 2	$113,390	$113,390
Total: 2026 Budget Year	$113,115	
February 1, 2027 to December 31, 2027	$107,059	
January 1, 2028 - January 31, 2028	$9,732	
Total: Option Year 3	$116,791	$116,791
Total: 2027 Budget Year	$116,508	
February 1, 2028 to December 31, 2028	$110,270	
January 1, 2029 - January 31, 2029	$10,025	
Total: Option Year 4	$120,295	$120,295
Total: 2028 Budget Year	$120,002	

Total: 2029 Budget Year	$10,025	
Grand Total	$567,444	$567,444

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

SOLICITATION SUMMARY

Solicitation Issued: November 27, 2023 **Solicitation Closed:** December 20, 2023
Number of Addenda Issued: Two (2)
Number of Bids: Two (2)

Table 2: Summary of Bids Received including bid price*

Supplier Name	Bid Price (excluding H.S.T.)
8906297 Canada Inc. o/a Flying Colours International	$87,526.80
C&C SIGNS HOLDINGS INC.	$222,624.45 (Non-compliant)

*Bid price does not contain the 20% miscellaneous items

DIVISION CONTACTS

Clarman Yang, Acting Manager, Purchasing Client Services
Purchasing and Materials Management Division, Telephone: 416-392-1302
E-Mail: Clarman.Yang@toronto.ca

Craig Mavin Manager, Materials Management & Stores Purchasing & Materials Management Division Telephone: 416-392-6764
E-Mail: 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

Geneviève Sharkey
Chief Procurement Officer