



BID AWARD PANEL CONTRACT AWARD

Award of Doc4243306865 to MCL - Mister Chemical Ltd. for the Non-Exclusive Supply and Delivery of Diversey Cleaning Supplies for Purchasing and Materials Management (Stores)

Date: May 30, 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 Doc4243306865

Description:
For the non-exclusive supply and delivery of Diversey Cleaning Supplies to various Purchasing and Materials Management (Stores) locations from the date of award to March 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 RFQ is structured to award the contract to the supplier that meets specifications and provides the lowest total bid price of the Pricing Form.

Prior to the renewal of the contract, PMMD 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:
MCL - MISTER CHEMICAL LTD.

Contract Award Value:
\$802,864 net of all applicable taxes and charges (including 20% for miscellaneous items)

\$907,236 including HST and all applicable charges.

\$816,994 net of HST recoveries

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

Option Year 1 (April 1, 2025 to March 31, 2026)

\$826,949 net of all applicable taxes and charges (including 20% for miscellaneous items)

\$934,453 including all applicable taxes and charges.

\$841,504 net of HST recoveries

Option Year 2 (April 1, 2026 to March 31, 2027)

\$851,758 net of all applicable taxes and charges (including 20% for miscellaneous items)

\$962,487 including all applicable taxes and charges.

\$866,749 net of HST recoveries

Option Year 3 (April 1, 2027 to March 31, 2028)

\$877,311 net of all applicable taxes and charges (including 20% for miscellaneous items)

\$991,361 including all applicable taxes and charges.

\$892,751 net of HST recoveries

Option Year 4 (February 1, 2028 to January 31, 2029)

\$903,630 net of all applicable taxes and charges (including 20% for miscellaneous items)

\$1,021,102 including all applicable taxes and charges.

\$919,534 net of HST recoveries

The total potential combined contract award identified in this report including option years is \$4,262,512 net of all applicable taxes and charges, \$4,816,638 including all applicable taxes and charges. **The total potential combined cost to the City including option years is \$4,337,532 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 combined contract award identified in this report including option years is \$4,262,512 net of all applicable taxes and charges, \$4,816,638 including all applicable taxes and charges. The total potential combined cost to the City including option years is \$4,337,532 net of HST recoveries.

The materials on this contract will be purchased for PMMD 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 operating budgets.

Funding is available in the 2024 Operating Budgets of participating Programs, and should all the option years be exercised, appropriate additional funding will be requested in their 2025-2029 Operating Budget Submissions. Additional funding details follow in Table 1.

Table 1: Financial Impact Summary of Recommended Contract

Period	Cost Centre 160004, 160026, 160049, 160067, 160068, 160082, 160083, 160085, 160171	Total (net of HST Recoveries)
Date of Award – December 31, 2024	\$612,745	
January 1, 2025 - March 31, 2025	\$204,248	
Total: Contract Period	\$816,994	\$816,994
Total: 2024 Budget Year	\$612,745	
April 1, 2025 to December 31, 2025	\$631,128	
January 1, 2026 - March 31, 2026	\$210,376	
Total: Option Year 1	\$841,504	\$841,504
Total: 2025 Budget Year	\$835,376	
April 1, 2026 to December 31, 2026	\$650,062	
January 1, 2027 - March 31, 2027	\$216,687	
Total: Option Year 2	\$866,749	\$866,749
Total: 2026 Budget Year	\$860,438	
April 1, 2027 to December 31, 2027	\$669,564	
January 1, 2028 - March 31, 2028	\$223,188	
Total: Option Year 3	\$892,751	\$892,751
Total: 2027 Budget Year	\$886,251	
April 1, 2028 to December 31, 2028	\$689,650	
January 1, 2029 - March 31, 2029	\$229,883	
Total: Option Year 4	\$919,534	\$919,534
Total: 2028 Budget Year	\$912,838	
Total: 2029 Budget Year	\$229,883	
Grand Total	\$4,337,532	\$4,337,532

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

SOLICITATION SUMMARY

Solicitation Issued: March 15, 2024 **Solicitation Closed:** April 10, 2024
Number of Addenda Issued: One (1)

Number of Bids: Four (4)

Table 2: Summary of Bid Received including bid price.

Supplier Name	Bid Price (excluding H.S.T.)
BUNZL CANADA INC	\$921,329.61
HANSLER SMITH LTD	\$840,013.29
IMPERIAL DADE CANADA INC	\$930,646.01
MCL - MISTER CHEMICAL LTD	\$669,052.98

*Bid Price does not contain the 20% miscellaneous items

DIVISION CONTACTS

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COMMENTS

For the recommended contract awards, the following requirements have been met:

- a. The firm recommended for award is the lowest Supplier meeting specifications per Part 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