



BID AWARD PANEL CONTRACT AWARD

Award of Doc4619018927 to Quadra Chemicals Ltd. and SNF Canada Ltd. for the Supply and Delivery of Water-Soluble Polyelectrolyte for Sludge Thickening and Sludge Dewatering for Toronto Water

Date: November 14, 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 contract:

Solicitation Number:
Request for Quotation Doc4619018927

Description:
Supply and Delivery of Water-Soluble Polyelectrolyte for Sludge Thickening (Lot 1) and for Sludge Dewatering (Lot 2) for Toronto Water from January 1, 2025 to December 31, 2026 with the option in favour of the City to extend the term of the agreement on the same terms and conditions for up to three (3) additional separate one (1) year periods at the sole discretion of the City and subject to budget approval.

Should the option year be exercised, the General Manager of Toronto Water will request the Chief Procurement Officer to process the renewal under the same terms and conditions.

Recommended Suppliers:
Quadra Chemicals Ltd. (Lot 1)
SNF Canada Ltd. (Lot 2)

Contract Award Value:

Quadra Chemicals Ltd. (Lot 1)
\$2,337,884 net of all applicable taxes and
\$2,641,809 including HST and all applicable charges
\$2,379,031 net of HST recoveries

Contract is expected to start on January 1, 2025 and end on December 31, 2026.

Option Year 1 (January 1, 2027 to December 31, 2027)
\$1,203,410 net of all applicable taxes and charges
\$1,359,853 including HST and all applicable charges
\$1,224,590 net of HST recoveries

Option Year 2 (January 1, 2028 to December 31, 2028)
\$1,238,912 net of all applicable taxes and charges
\$1,399,971 including HST and all applicable charges
\$1,260,717 net of HST recoveries

Option Year 3 (January 1, 2029 to December 31, 2029)
\$1,275,480 net of all applicable taxes and charges
\$1,441,292 including HST and all applicable charges
\$1,297,928 net of HST recoveries

The total potential contract award including all option years is \$6,055,686 net of all taxes and charges and \$6,842,925 including all applicable taxes and charges. **The total potential cost to the City including all option years is \$6,162,266 net of HST recoveries.**

SNF Canada Ltd. (Lot 2)

\$7,617,400 net of all applicable taxes and charges
\$8,607,662 including HST and all applicable charges
\$7,751,466 net of HST recoveries

Contract is expected to start on January 1, 2025 and end on December 31, 2026.

Option Year 1 (January 1, 2027 to December 31, 2027)
\$3,922,361 net of all applicable taxes and charges
\$4,432,268 including HST and all applicable charges
\$3,991,395 net of HST recoveries

Option Year 2 (January 1, 2028 to December 31, 2028)
\$4,039,432 net of all applicable taxes and charges
\$4,564,558 including HST and all applicable charges
\$4,110,526 net of HST recoveries

Option Year 3 (January 1, 2029 to December 31, 2029)
\$4,160,015 net of all applicable taxes and charges
\$4,700,817 including HST and all applicable charges
\$4,233,231 net of HST recoveries

The total potential contract award including all option years is \$19,739,208 net of all taxes and charges and \$22,305,305 including all applicable taxes and charges. **The total potential cost to the City including all option years is \$20,086,618 net of HST recoveries.**

The combined total potential contract award including all option years is \$25,794,894 net of all taxes and charges and \$29,148,230 including all applicable taxes and charges. **The total potential cost to the City including the option years for both contracts is \$26,248,884 net of HST recoveries.**

The above cost calculations reflect an estimated three (3) percent Consumer Price Index (CPI) adjustment applied annually to the yearly cost after the initial term.

FINANCIAL IMPACT

The total potential contract award value identified in this report including all option years is \$25,794,894 net of all taxes and charges and \$29,148,230 including all applicable taxes and charges. The total potential cost to the City including the option years is \$26,248,884 net of HST recoveries.

Operating funding for 2025 and 2026 for the initial contract period will be included in the 2025 and 2026 Operating Budget Submissions for Toronto Water. Should the optional years be exercised, appropriate additional funding will be included in the 2027-2029 Operating Budget Submissions for Toronto Water. Funding details are summarized in Table 1.

Table 1: Financial Impact Summary of Recommended Contracts

Operating Cost Centre(s) TW4022, TW4036 Cost Element(s) 2430	
Term	Total Net of HST Recoveries
Initial Term – January 1, 2025 to December 31, 2025	\$5,065,248
Initial Term – January 1, 2026 to December 31, 2026	\$5,065,248
Option Year 1 - January 1, 2027 to December 31, 2027	\$5,215,985
Option Year 2 - January 1, 2028 to December 31, 2028	\$5,371,244
Option Year 3 - January 1, 2029 to December 31, 2029	\$5,531,159
Total	\$26,248,884

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

SOLICITATION SUMMARY

Solicitation Issued: July 5, 2024
Number of Addenda Issued: Two (2)
Number of Bids: Three (3)

Solicitation Closed: August 7, 2024

Table 2: Summary of Bids Received including bid price (Lot 1)

Supplier Name	Bid Price (excluding H.S.T.)
Quadra Chemicals Ltd.	\$2,297,883.75
SNF Canada Ltd.	\$2,650,500.00*
Brenntag Canada Inc..	\$3,159,110.00

*Pursuant to the Request for Quotation document the contract award value includes contingency.

Table 3: Summary of Bids Received including bid price (Lot 2)

Supplier Name	Bid Price (excluding H.S.T.)
SNF Canada Ltd.	\$7,577,400.00
Quadra Chemicals Ltd.	\$7,964,957.00*
Brenntag Canada Inc..	\$9,709,360.00

*Pursuant to the Request for Quotation document the contract award value includes contingency.

DIVISION CONTACTS

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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