

Award of Doc4230041922 to UBA Inc. for the Non-Exclusive Supply and Delivery of Sodium Hypochlorite for Toronto Water

Date: December 19, 2023

To: General Government Committee

From: General Manager Toronto Water and Chief Procurement Officer

Wards: All

SUMMARY

The purpose of this report is to advise of the results of the Request for Quotation Doc4230041922 for the non-exclusive supply and delivery of Sodium Hypochlorite for Toronto Water and request the authority to enter into an agreement with UBA Inc. in the amount of \$23,192,854 net of all applicable taxes and charges (\$23,601,048 net of Harmonized Sales Tax recoveries), for a period of one (1) year with the option to renew the Contract for four (4) additional separate one (1) year periods at the sole discretion of the City and subject to budget approval(s). Should the optional year(s) be exercised, the General Manager of Toronto will request the Chief Procurement Officer to process the renewals under the same terms and conditions.

RECOMMENDATIONS

The General Manager, Toronto Water and Chief Procurement Officer recommend that:

1. The General Government Committee, in accordance with Section 195-8.4A of Toronto Municipal Code Chapter 195 (Purchasing By-Law) grant authority to the General Manager, Toronto Water to award and enter into an agreement with UBA Inc., being the lowest Supplier meeting the specifications of Request for Quotations Doc4230041922, for the non-exclusive supply and delivery of Sodium Hypochlorite, in the amount of \$23,192,854 net of all applicable taxes and charges (\$23,601,048 net of Harmonized Sales Tax recoveries) and in accordance with the RFQ requirements.

FINANCIAL IMPACT

The potential contract award identified in this report for Toronto Water, including all option years, is \$23,192,854 net of all applicable taxes and charges and \$26,207,925 including all applicable taxes and charges. The total potential cost to the City including all option years, is \$23,601,048 net of HST recoveries.

Funding in the amount of \$4,445,365 net of HST recoveries is included in the 2024 Staff Prepared Operating Budget for Toronto Water. Should the City choose to exercise its option(s) to renew for up to an additional four (4) separate one (1) year periods, then appropriate additional funding will be included in the 2025-2028 annual Operating Budget Submissions for Toronto Water.

The cost calculations for the option years reflect an annual estimated three percent (3%) inflationary increase commencing in 2025.

WBS Element & Account Name	January 1, 2024 to December 31, 2024	Option Year 1 January 1, 2025 to December 31, 2025	Option Year 2 January 2026 to December 31, 2026	Option Year 3 January 2027 to December 31, 2027	Option Year 4 January 2028 to December 31, 2028	Total Award (net of HST Recoveries)
GL 2480						
TW4022 TW4060 TW4080 TW4100	\$4,445,365	\$4,578,726	\$4,716,088	\$4,857,571	\$5,003,298	\$23,601,048
	Total (net of HST Recoveries)					\$23,601,048

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

DECISION HISTORY

At its meeting on December 28, 2022, the Bid Award Panel granted authority to Award of Ariba Document Number 3704116621, to UBA Inc. for the Non-Exclusive Supply and Delivery of Sodium Hypochlorite for Toronto Water.

[Agenda Item History - 2023.BA7.1 \(toronto.ca\)](#)

At its meeting on February 7, 2018, the Bid Award Panel granted authority to Award Request for Quotation No. 6612-17-7321, to UBA Inc. for the Non-Exclusive Supply and Delivery of Sodium Hypochlorite for Toronto Water.

[Agenda Item History - 2018.BA62.4 \(toronto.ca\)](#)

At its meeting on September 11, 2013, the Bid Committee granted authority to award RFQ 6606-13-7147 to UBA Inc. for the Non-Exclusive Supply and Delivery of Sodium Hypochlorite for Toronto Water.

COMMENTS

Background

Disinfection is a critical step in wastewater treatment to eliminate or significantly reduce harmful microorganisms and pathogens. Disinfection ensures that wastewater effluent meets specified water quality standards before it is released into the environment, thereby protecting public health and the environment. The disinfection of wastewater is legislative requirement under the Ontario Water Resources Act.

Sodium hypochlorite is the chemical used at the City's wastewater treatment plants to disinfect the treated plant effluent prior to being released to the environment. In 2022, The total sodium hypochlorite (12% w/v) consumption for disinfection totalled 9962 m3 for all four (4) City of Toronto Wastewater Treatment Plants.

Procurement Process

Request for Quotation. Doc4230041922 for the supply and delivery of Sodium Hypochlorite for Toronto Water Division was issued on October 18, 2023. There was one (1) addendum issued. The Request for Quotation closed on November 24, 2023.

Table 2: Summary of three (3) Bids Received for Request for Quotation Doc4230041922, excluding HST on Total Base Bid Price:

Supplier Name	Bid Price (excluding H.S.T.)
UBA Inc.*	\$4,368,480.00 CAD
Sodrox Chemicals Ltd.**	\$10,846,500.00 CAD
Lavo (KIK Holdco Company Inc.)**	\$15,600,600.00 CAD

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

** Supplier was found non-compliant with mandatory requirements

The Fair Wage Office has reported that the recommended Supplier has indicated that they have reviewed and understand the Fair Wage Policy and Labour Trades requirements and the recommended Supplier has agreed to comply fully.

CONTACT

William Fernandes, P. Eng., Deputy General Manager (A), Toronto Water,
Telephone: 416-392-8220, Email: William.Fernandes@toronto.ca

Marie Reid, Manager, Purchasing Client Services, Infrastructure and Development Services, Purchasing and Material Management, Telephone: 416- 397-5187, Email: Marie.Reid@toronto.ca

SIGNATURE

Lou Di Gironimo
General Manager, Toronto Water

Geneviève Sharkey
Chief Procurement Officer