



BID AWARD PANEL CONTRACT AWARD

Award of Cooperative Procurement with Mohawk Medbuy Corporation Contract Number CW15407 from Cardinal Health Canada Inc. for Incontinence Products for Seniors Services and Long-Term Care

Date: July 17, 2025
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 as per the Toronto Municipal Code, Chapter 195-6.6, Procurement of same goods and services as public body.

Solicitation Number:

Mohawk Medbuy Corporation Contract Number CW15407
Sourcing Request SR5211739832; Sourcing Project WS5251894015

Description:

Seniors Services and Long-Term Care reviewed the Mohawk Medbuy Corporation's Request for Proposal requirements, evaluation and scoring process and determined that they closely matched the Seniors Services and Long-Term Care's needs. As a participant leveraging Mohawk Medbuy Corporation contract, a membership fee of 1.22% as well as a volume discount of 3% or 4% will be applied to all spending associated with this contract. An analysis was conducted and determined that the membership fee will be calculated quarterly on a fiscal year basis. The volume rebate amount should be sufficient to offset the membership fee but if the amount is not enough the difference will be paid through a Divisional Purchase Order.

Piggybacking on Mohawk Medbuy Corporation Contract Number CW15407 for the provision of Incontinence Products for Seniors Services and Long-Term Care Homes for a period of one (1) year, with an option in favour of the City to extend for an additional four (4) separate one (1) year periods.

Should the option(s) be exercised, then the General Manager of Seniors Services and Long-Term Care will request the Chief Procurement Officer to process the renewals under the same terms and conditions.

Recommended Supplier:

Award of Cooperative Procurement for Mohawk Medbuy Corporation Contract Number CW15407

Cardinal Health Canada Inc.

Contract Award Value:

\$2,351,554 net of all applicable taxes and charges (including 10% Miscellaneous, membership fee and volume discount)

\$2,657,256 including HST and all applicable charges

\$2,392,941 net of HST recoveries

Contract is expected to start on August 1, 2025, and end on July 31, 2026.

Option Year 1 - August 1, 2026 to July 31, 2027

\$2,351,554 net of all applicable taxes and charges (including 10% Miscellaneous, membership fee and volume discount)

\$2,657,256 including HST and all applicable charges

\$2,392,941 net of HST recoveries

Option Year 2 - August 1, 2027 to July 31, 2028

\$2,351,554 net of all applicable taxes and charges (including 10% Miscellaneous, membership fee and volume discount)

\$2,657,256 including HST and all applicable charges

\$2,392,941 net of HST recoveries

Option Year 3 - August 1, 2028 to July 31, 2029

\$2,351,554 net of all applicable taxes and charges (including 10% Miscellaneous, membership fee and volume discount)

\$2,657,256 including HST and all applicable charges

\$2,392,941 net of HST recoveries

Option Year 4 - August 1, 2029 to July 31, 2030

\$2,351,554 net of all applicable taxes and charges (including 10% Miscellaneous, membership fee and volume discount)

\$2,657,256 including HST and all applicable charges

\$2,392,941 net of HST recoveries

The total potential contract award including the option years is \$11,757,770 net of all taxes and charges, \$13,286,280 including all applicable taxes and charges, and \$11,964,707 net of HST recoveries.

* Note: A membership fee of 1.22% is applied to all spending associated with Mohawk Medbuy Corporation contracts. Fee calculated from the value of the contract prior to adjusting for volume discount.

**Note: A volume discount is applied to all spending associated with this Mohawk Medbuy Corporation contract (3% for underpads category and 4% for undergarments category). Discount calculated from value of the contract prior to adjusting for membership fee.

FINANCIAL IMPACT

The total contract award identified in this report is \$11,757,770 net of all applicable taxes and charges, \$13,286,280 including all applicable taxes and charges. The cost to the City is \$11,964,707 net of HST recoveries.

Funding of \$997,060 is available in 2025 Operating Budget for Seniors Services and Long-Term Care. Funding for the rest of the initial year as outlined in Table 1 will be requested through the 2026 Budget process for Seniors Services and Long-Term Care. Should the option years be exercised, funding for the option years as outlined in Table 1 will be requested through the 2026-2030 Budget processes. Additional funding details follow in Table 1.

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

Cost Centre and WBS Element / Cost Element	D3*144 / 2828, 2880
Description	Incontinence Supplies
August 1, 2025, to December 31, 2025	\$997,060
January 1, 2026 to July 31, 2026	\$1,395,882
August 1, 2026, to December 31, 2026	\$997,060
January 1, 2027, to December 31, 2027	\$2,392,941
January 1, 2028, to December 31, 2028	\$2,392,941
January 1, 2029, to December 31, 2029	\$2,392,941
January 1, 2030, to July 31, 2030	\$1,395,882
Total (Net of HST recoveries)	\$11,964,707

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: October 9, 2024 **Solicitation Closed:** November 8, 2024

The original solicitation was issued by Mohawk Medbuy Corporation for suppliers in the United States and Canada as Request for Proposal Number CW15407/16426.

The contract was awarded on April 18, 2025, expiry in its current form on October 31, 2030 with the option to extend the Contract for one (1) additional two (2) year period upon the request of Mohawk Medbuy Corporation and written agreement by the Supplier.

Award of Cooperative Procurement for Mohawk Medbuy Corporation Contract Number CW15407

DIVISION CONTACTS

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COMMENTS

The City of Toronto is piggybacking Mohawk Medbuy Corporation Contract Number CW15407, as per the Toronto Municipal Code, Chapter 195-6.6 - Procurement of same goods and services as a public body

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

a. the firm recommended for award is the Supplier with the lowest bid meeting specifications or 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 Mohawk Medbuy Corporation's website as part of the competitive solicitation process; 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 Solicitation are on the file in the Purchasing and Materials Management Division.

SIGNATURE

Geneviève Sharkey
Chief Procurement Officer